Form 3160-3
(February 2005)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: **UTU-61401**

6. If Indian, Allotee or Tribe Name:

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.: Bad lands

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone

8. Lease Name and Well No.: **HOSS 13-31**

2. Name of Operator: **EOG RESOURCES, INC**

9. API Well No.: 43-047-38674

3a. Address: **1060 EAST HIGHWAY 40 VERNAL, UT 84078**

3b. Phone No. *(include area code)*: **435-781-9111**

10. Field and Pool, or Exploratory: **NATURAL BUTTES**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface: **1894 FNL 839 FEL SENE 40.081283 LAT 109.363367 LON** 639600X 40.081314 4437857Y -109.362709

At proposed prod. zone: **SAME**

11. Sec., T. R. M. or Blk. and Survey or Area: **SECTION 31, T8S, R23E S.L.B.&M**

14. Distance in miles and direction from nearest town or post office*: **37.2 MILES SOUTH OF VERNAL, UTAH**

12. County or Parish: **UINTAH**

13. State: **UT**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
1980 LEASE LINE 660 DRILLING LINE	**629**	**40**
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
4360	**9790**	**NM 2308**
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
4873 GL		**45 DAYS**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
Title: **SR. REGULATORY ASSISTANT**	**KAYLENE R. GARDNER**	**08/19/2006**
Approved by *(Signature)*	Name *(Printed/Typed)*: BRADLEY G. HILL	Date: 10-26-06
Title	Office: ENVIRONMENTAL MANAGER	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

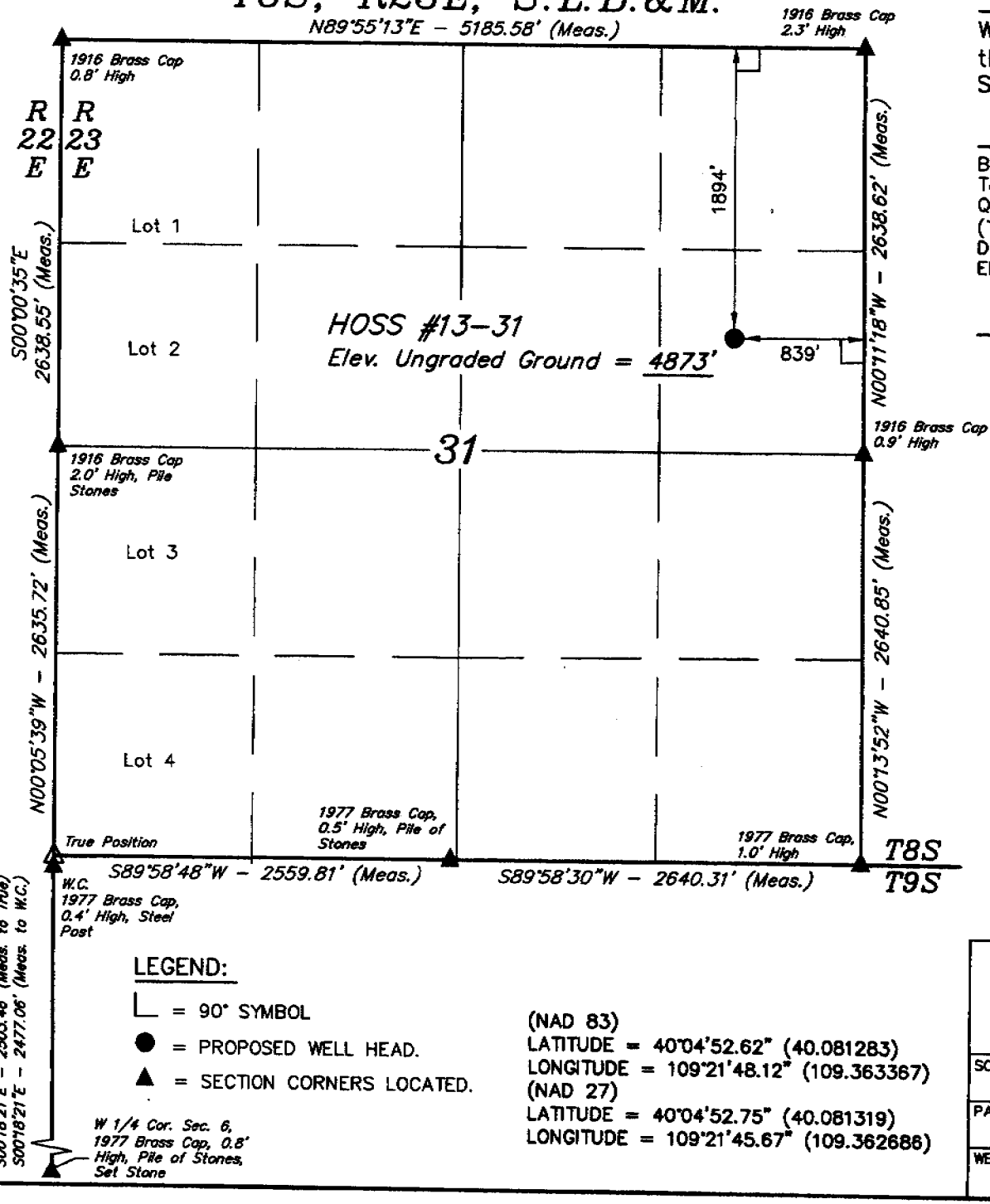
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this Action is Necessary

RECEIVED
OCT 04 2006
DIV. OF OIL, GAS & MINING

T8S, R23E, S.L.B.&M.



LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°04'52.62" (40.081283)
LONGITUDE = 109°21'48.12" (109.363367)
(NAD 27)
LATITUDE = 40°04'52.75" (40.081319)
LONGITUDE = 109°21'45.67" (109.362686)

EOG RESOURCES, INC.

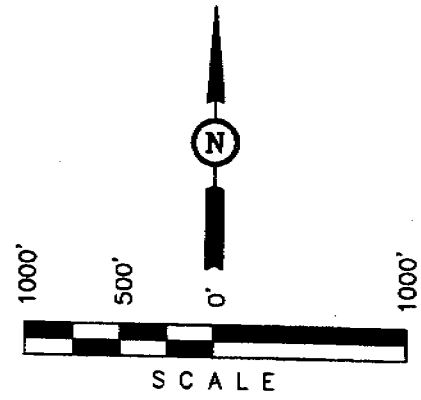
Well location, HOSS #13-31, located as shown in the SE 1/4 NE 1/4 of Section 31, T8S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 06-20-06	DATE DRAWN: 06-26-06
PARTY: T.A. B.C. S.L.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EOG RESOURCES, INC.	

eog resources

EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

CERTIFIED MAIL
ARTICLE NO: 7005 1820 0005 5392 9237

October 2, 2006

EnCana Oil & Gas (USA), Inc.
Attention: Mr. Doug Jones
370 17th Street, Suite 1700
Denver, CO 80202

RE: COMMINGLING APPLICATIONS
HOSS 13-31
1894 FNL 839 FEL (SE/NE)
SECTION 31, T8S, R22E
UINTAH COUNTY, UTAH
LEASE: UTU-61401

Mr. Jones:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch, Mesaverde and Mancos formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2: production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

Kaylene R. Gardner
Sr. Regulatory Assistant

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:
She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

HOSS 13-31
1894' FNL – 839' FEL (SENE)
SECTION 31, T8S, R23E
UINTAH COUNTY, UTAH

EOG Resources, Inc., Encana Oil & Gas (USA) Inc, Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 2nd day of October 2006 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Encana Oil & Gas (USA) Inc.

Further affiant saith not.

Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 2nd day of October, 2006.

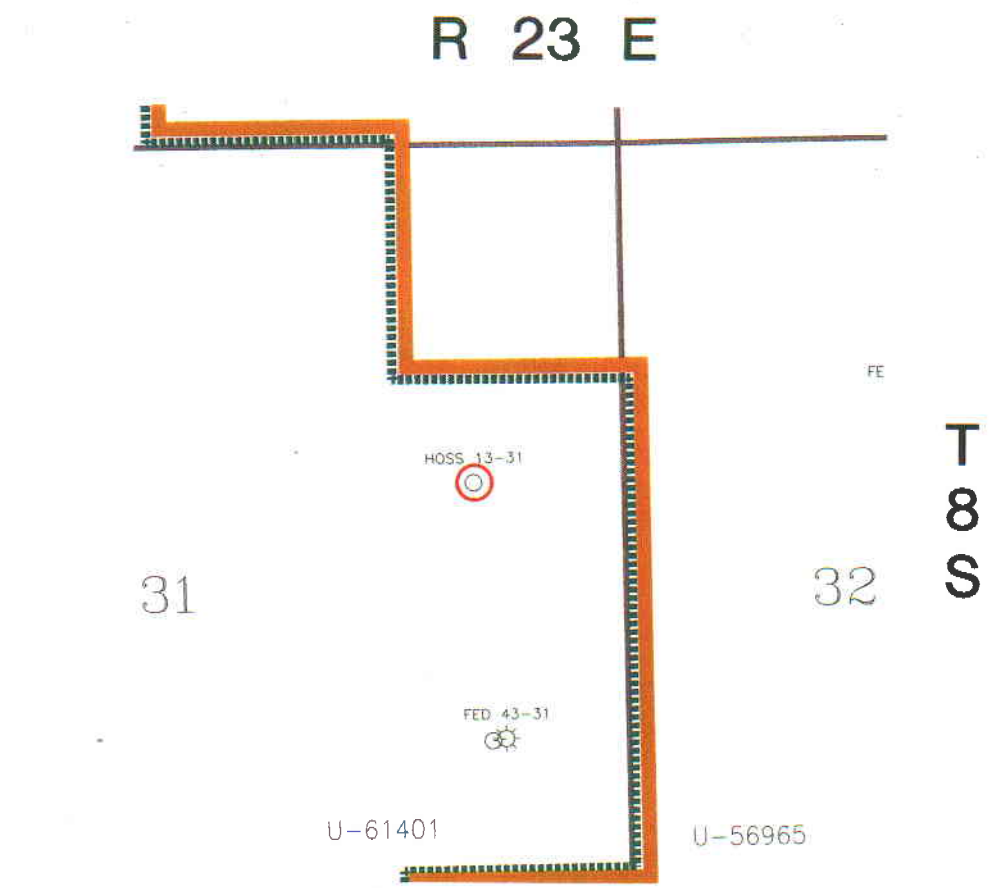
Notary Public
CHERYLE A. SNOW
3123 West 1790 South
Vernal, Utah 84078
My Commission Expires
August 1, 2009
State of Utah

Notary Public

My Commission Expires: 8/1/2009

Exhibit "A" to Affidavit
Hoss 13-31 Application to Commingle

EnCana Oil & Gas (USA), Inc.
370 17th Street, Suite 1700
Denver, CO 80202
Attention: Mr. Doug Jones



HOSS 13-31

Badlands Unit Outline

Wasatch/Mesaverde/Mancos Fms P.A. "B"

Scale: 1"=1000'

0 1/4 1/2 Mile

N

eog resources

Denver Division

EXHIBIT "A"

HOSS 13-31

Commingling Application

Uintah County, Utah

Scale: 1"=1000'	D:\utah\Commingled\page_Hoss13-31_commingled.dwg Layout1	Author GT	Sep 07, 2006 - 1:57pm

eog resources

HOSS 13-31
SENE, Section 31, T8S, R23E
Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction:	Forty-eight (48) hours prior to construction of location and access roads.
Location Completion:	Prior to moving on the drilling rig.
Spud Notice:	At least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing:	Twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and related Equipment Tests:	Twenty-four (24) hours prior to running casing and tests.
First Production Notice:	Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 acres. The pipeline is approximately 1050 feet long within Federal Lease U 61401 disturbing approximately 0.97 acre.

1. EXISTING ROADS:

A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 37.2 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 528' in length.

B. The access road has a 30 foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface. Gravel shall be used as needed.

H. No gates, cattleguards, or fences will be required or encountered.

I. Rip Rap will be installed along the access road where the main drainage hits the road continuing around corner 8.

J. No permanent road right-of-way on Federal acreage is required.

All travel will be confined to existing access road right-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. *Location of Existing Wells Within a One-mile Radius:*

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. *Location of Existing and/or Proposed Production Facilities:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

3. The area inside the anchors where truck traffic will occur shall be graveled as needed.

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.

2. The length of the new proposed pipeline is 1050' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease UTU 61401) proceeding in a easterly direction for an approximate distance of 1050' tieing into an existing

pipeline located in the SENE of Section 31, T8S, R23E (Lease UTU-61401). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating. No off lease right-of-way is required.

3. Proposed pipeline will be a 4" OD steel, Zap-Lok line laid on the surface

4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. *Location and Type of Water Supply:*

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. *Source of Construction Materials:*

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. *Methods of Handling Waste Disposal:*

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the west corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil east of corner #5. The stockpiled location topsoil will be stored between corners #6 and #8 and corners #1 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Prostrate Kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. *Dry Hole/Abandoned Location*

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Saltbush	3.0
Shadscale	3.0
Crested Wheatgrass	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage

on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted 7/19/2006 by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted 7/10/2006 by Dr. Wade Miller.

Other Requirements:

A water diversion dam will be constructed above pit corner A.

After the reserve pit has been closed, the east side of the location shall be ditched or bermed to channel runoff water around the location.

Additional Surface Stipulations:

No construction or drilling will be allowed during the Antelope kidding season of May 15th to June 20th unless clearance has been obtained by the BLM wildlife biologist.

Prior to any construction between April 1 and July 15, all areas within 0.5 mile of prairie dog colonies will be surveyed for western burrowing owls. If burrowing owls are located, surface disturbance will not occur within 0.5 mile of owl nesting locations between April 1st and July 15th. If no nests are found within 0.5 mile of the proposed location, construction and drilling can occur.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 13-31 well, located in SENE, of Section 31, T8S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

October 2, 2006
Date

Kaylene R. Gardner, Sr. Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
HOSS 13-31
SENE, Sec. 31, T8S, R23E
UTU-61401

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately *50' X Length* acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.
HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.

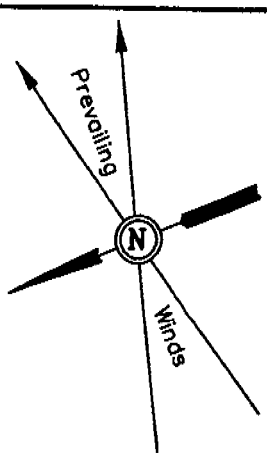
PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 8.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #41-31 TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 300' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 37.2 MILES.

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL



SCALE: 1" = 50'
DATE: 06-26-06
Drawn By: S.L.

Approx. Top of Cut Slope

CONSTRUCT DIVERSION DITCH

Proposed Access Road

C-1.3'
El. 73.5'

C-3.1'
El. 75.3'

Topsoil Stockpile

65'

Sta. 3+25

F-0.4'
El. 71.8'

Round Corners as needed

DATA

175'

CATWALK

PIPE RACKS

Existing Drainage

Fill Slope

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Pit Topsoil

FLARE PIT

C-3.0'
El. 75.2'

C-0.5'
El. 72.7'

20' WIDE BENCH

46'

29'

36'

135'

DOG HOUSE

RIG

Sta. 1+50

75'

C-1.8'
El. 74.0'

WATER

El. 76.6'
C-16.4'
(btm. pit)

F-2.4'
El. 69.8'

PUMP

MUD SHED

TRAILER

TOILET

MUD TANKS

HOPPER

POWER

TOOLS

FUEL

FUEL

Sta. 0+50

Topsoil Stockpile

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

147'

Total Pit Capacity W/2' Of Freeboard = 12,250 Bbls. ± Total Pit Volume = 3,320 Cu. Yds.

RESERVE PITS (12' Deep)

SLOPE = 1-1/2 : 1

TRASH

150'

STORAGE TANK

CONSTRUCT DIVERSION DITCH

Sta. 0+00

20' WIDE BENCH

Topsoil Stockpile

El. 73.9'
C-13.7'
(btm. pit)

F-0.4'
El. 71.8'

F-1.7'
El. 70.5'

Existing Drainage

F-3.2'
El. 69.0'

REGISTERED LAND SURVEYOR
No. 161319
TRENT L. KAY
STATE OF UTAH

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4872.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 4872.2'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 E[illegible] * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

HOSS #13-31

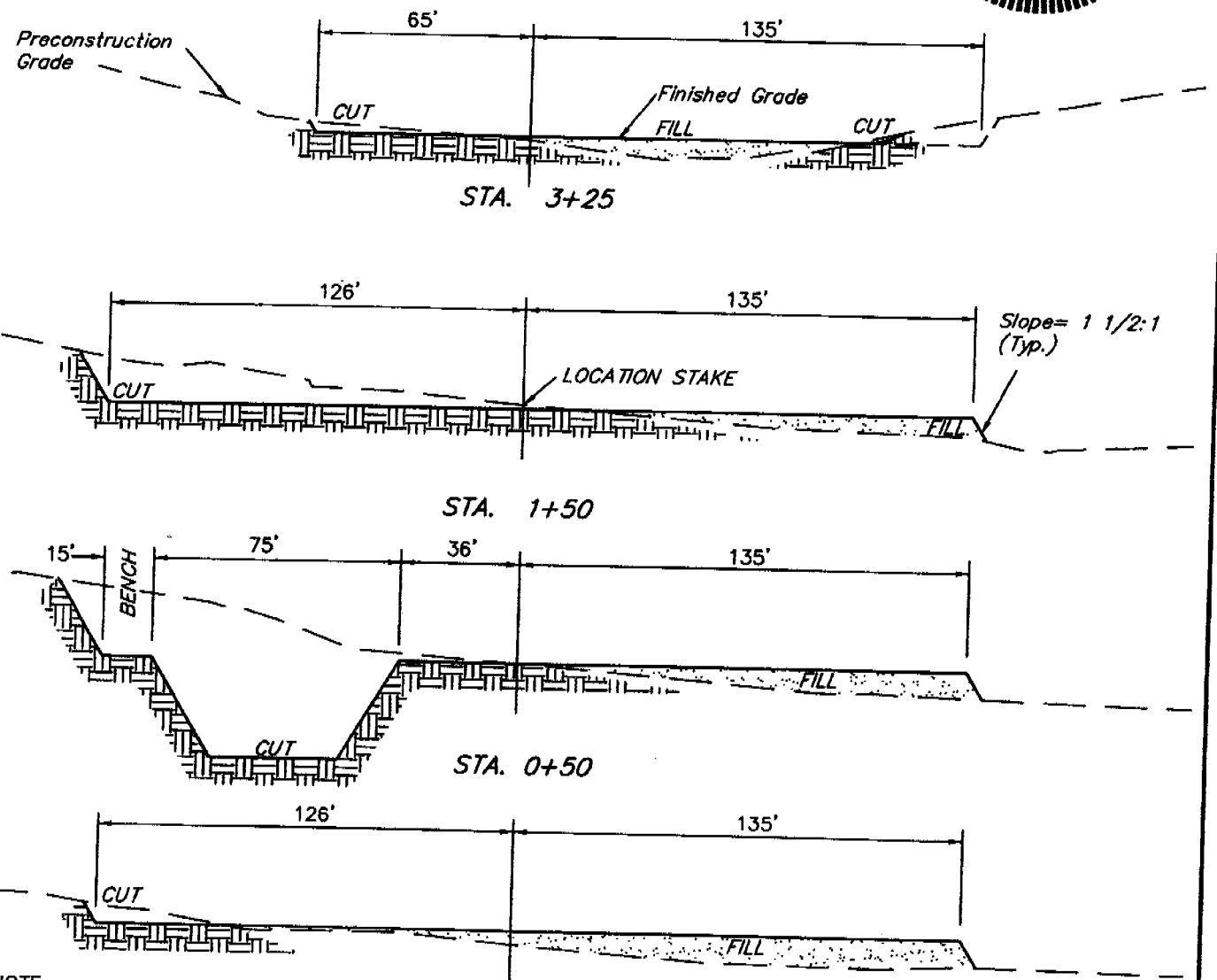
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

FIGURE #2

1" = 20'
X-Section Scale
1" = 50'

DATE: 06-26-06
Drawn By: S.L.

REGISTERED LAND SURVEYOR
No. 161319
BRANDON KAY
STATE OF UTAH



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,580 Cu. Yds.
Remaining Location = 5,900 Cu. Yds.

TOTAL CUT = 7,480 CU.YDS.
FILL = 4,240 CU.YDS.

EXCESS MATERIAL = 3,240 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,240 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

HOSS #13-31

LOCATED IN UINTAH COUNTY, UTAH
SECTION 31, T8S, R23E, S.L.B.&M.

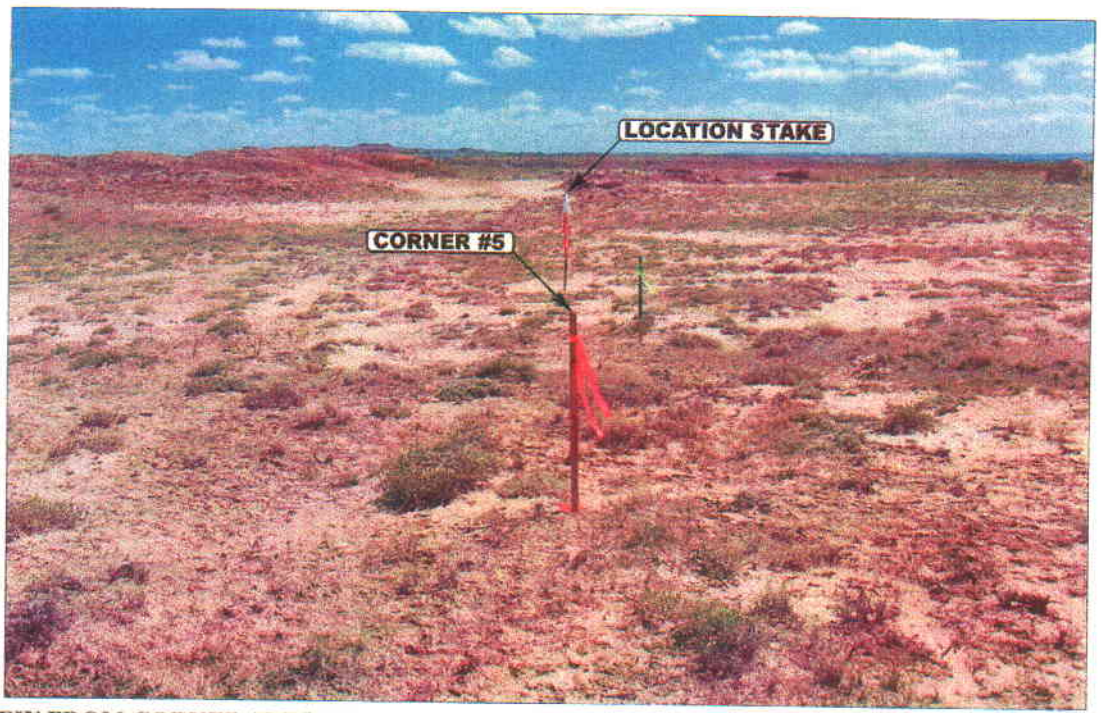
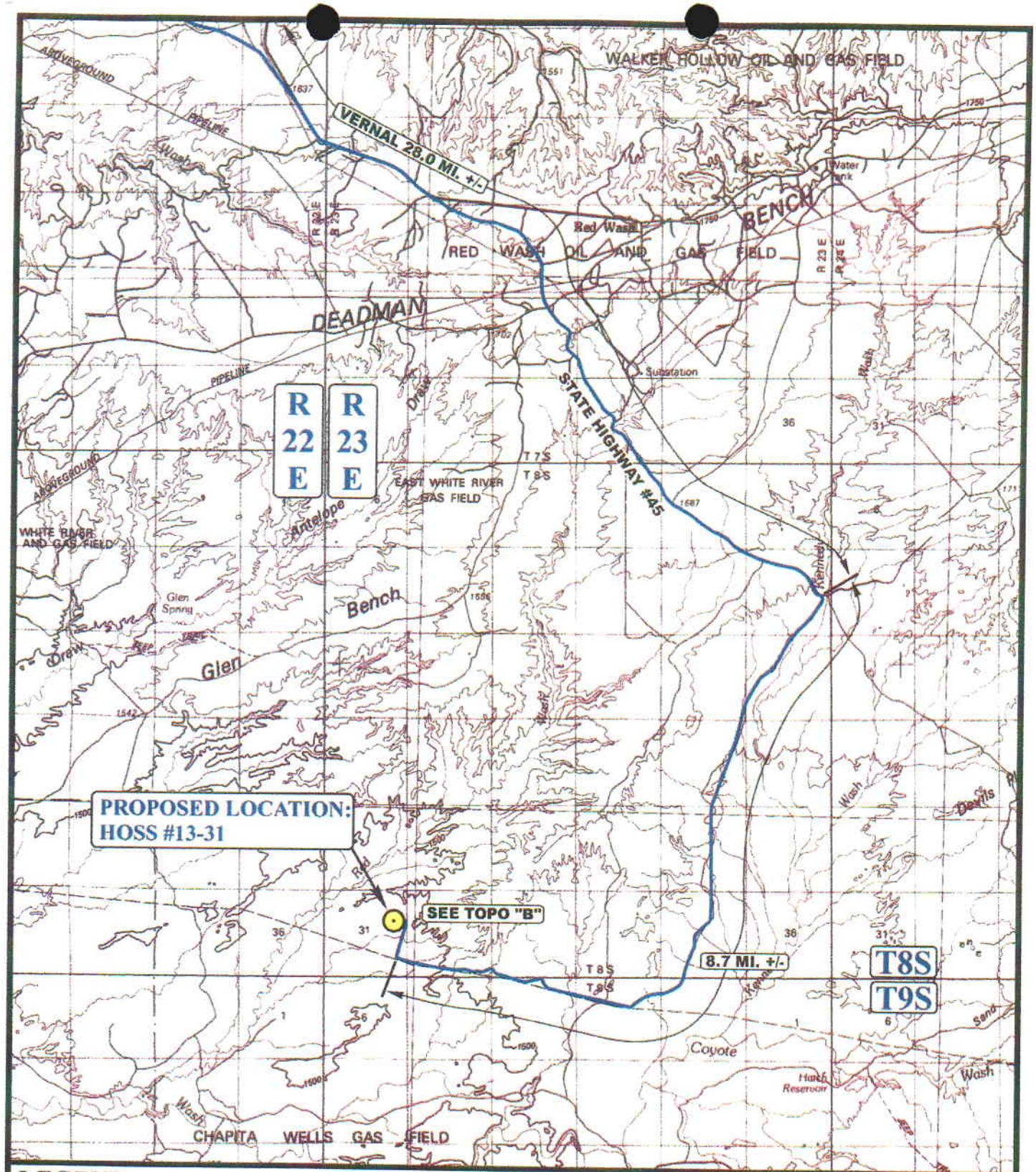


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: SOUTHWESTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHWESTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	06 MONTH	27 DAY	06 YEAR	PHOTO
TAKEN BY: T.A.	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

⊙ EXISTING LOCATION

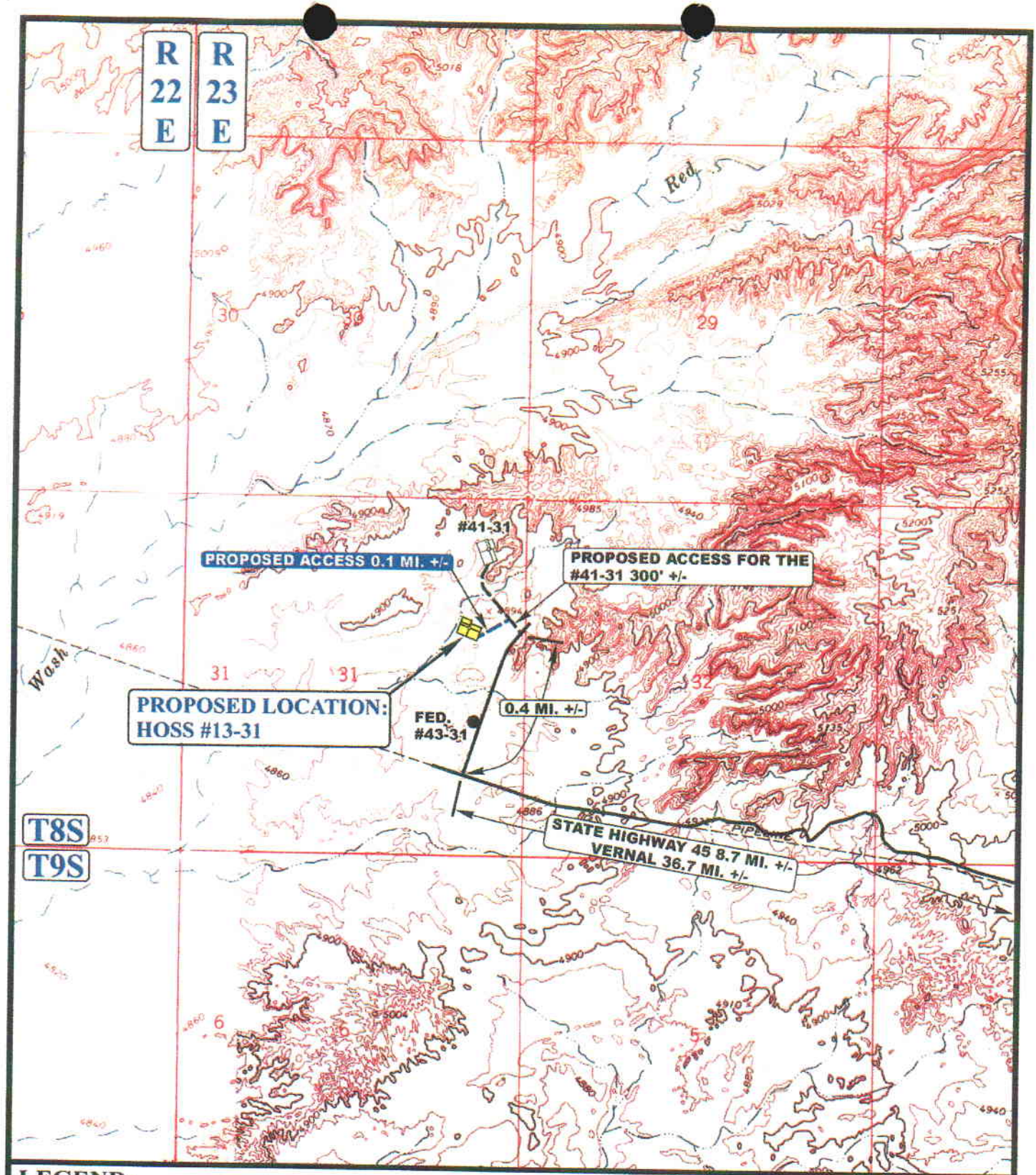
N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	27 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

EOG RESOURCES, INC.

HOSS #13-31

SECTION 31, T8S, R23E, S.L.B.&M.

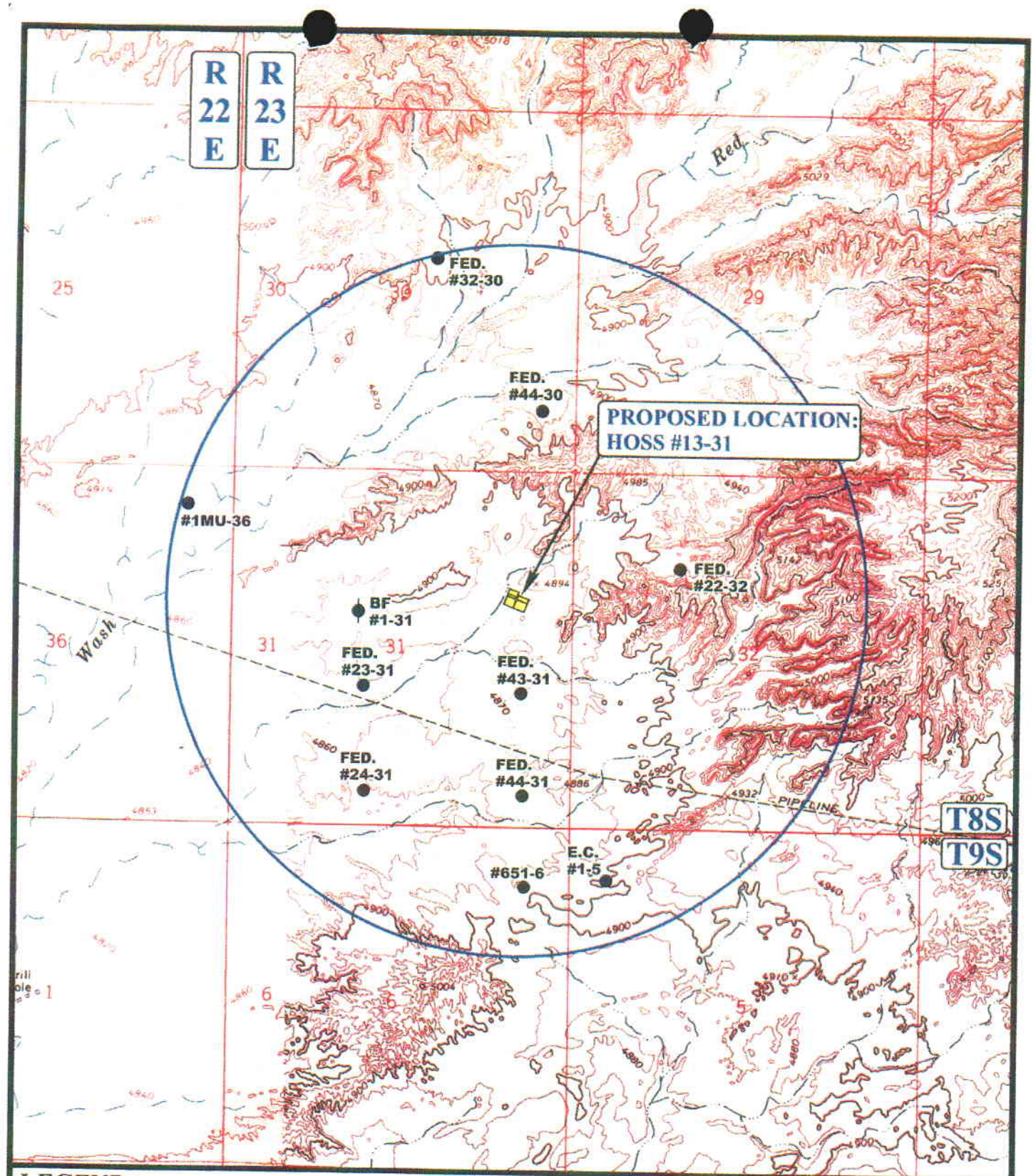
1894' FNL 839' FEL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	27 DAY	06 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

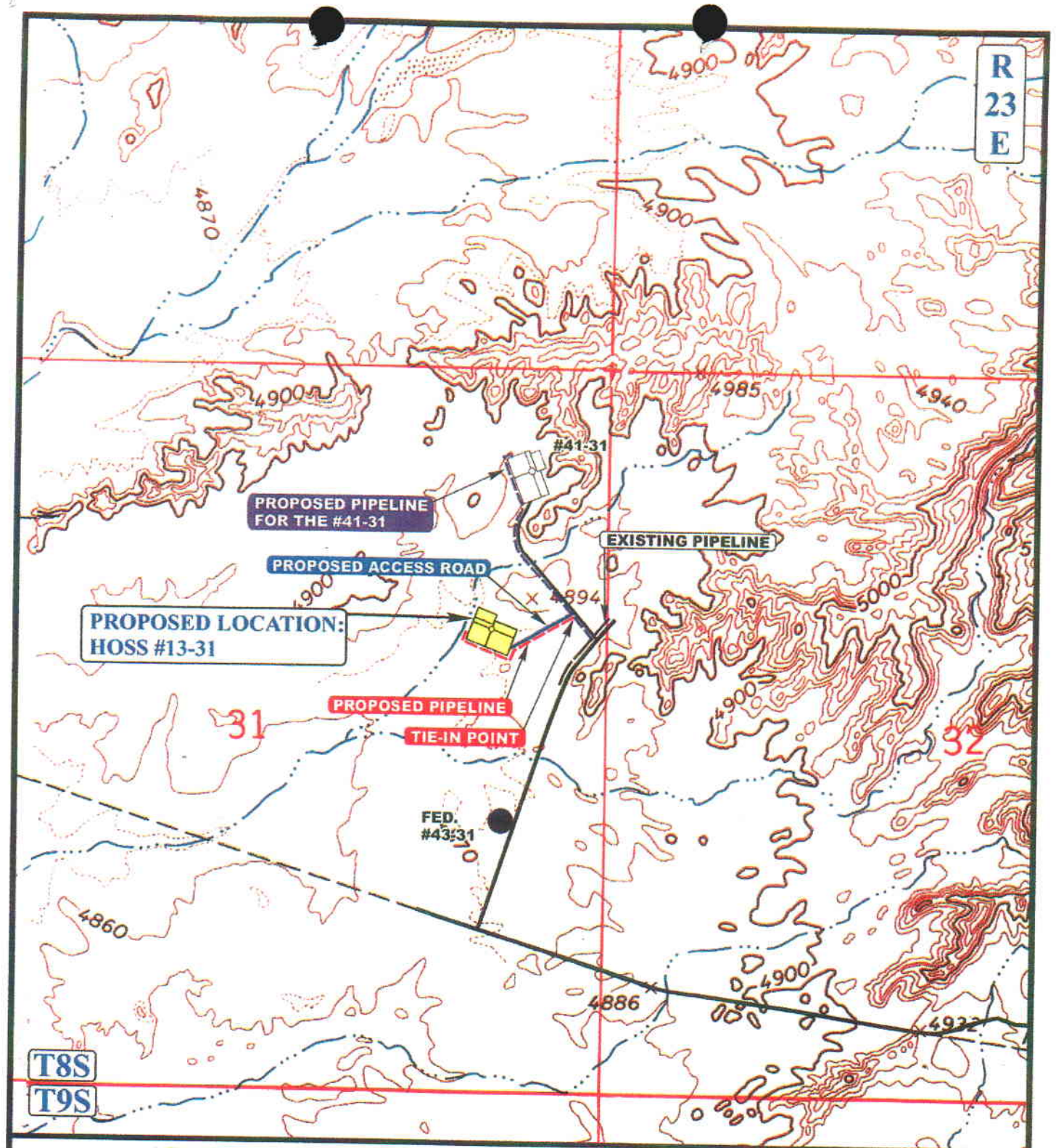
N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	27 DAY	06 YEAR
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00	C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1050' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE
PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	09 MONTH	21 DAY	06 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.H.	REVISED: 00-00-00		

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/04/2006

API NO. ASSIGNED: 43-047-38674

WELL NAME: HOSS 13-31

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SENE 31 080S 230E

SURFACE: 1894 FNL 0839 FEL

BOTTOM: 1894 FNL 0839 FEL

COUNTY: UINTAH

LATITUDE: 40.08131 LONGITUDE: -109.3627

UTM SURF EASTINGS: 639600 NORTHINGS: 4437857

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	10/26/06
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-61401

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-1501)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

Y Intent to Commingle (Y/N)
(Wasatch/MesaVerde)

LOCATION AND SITING:

___ R649-2-3.

Unit: BADLANDS

✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

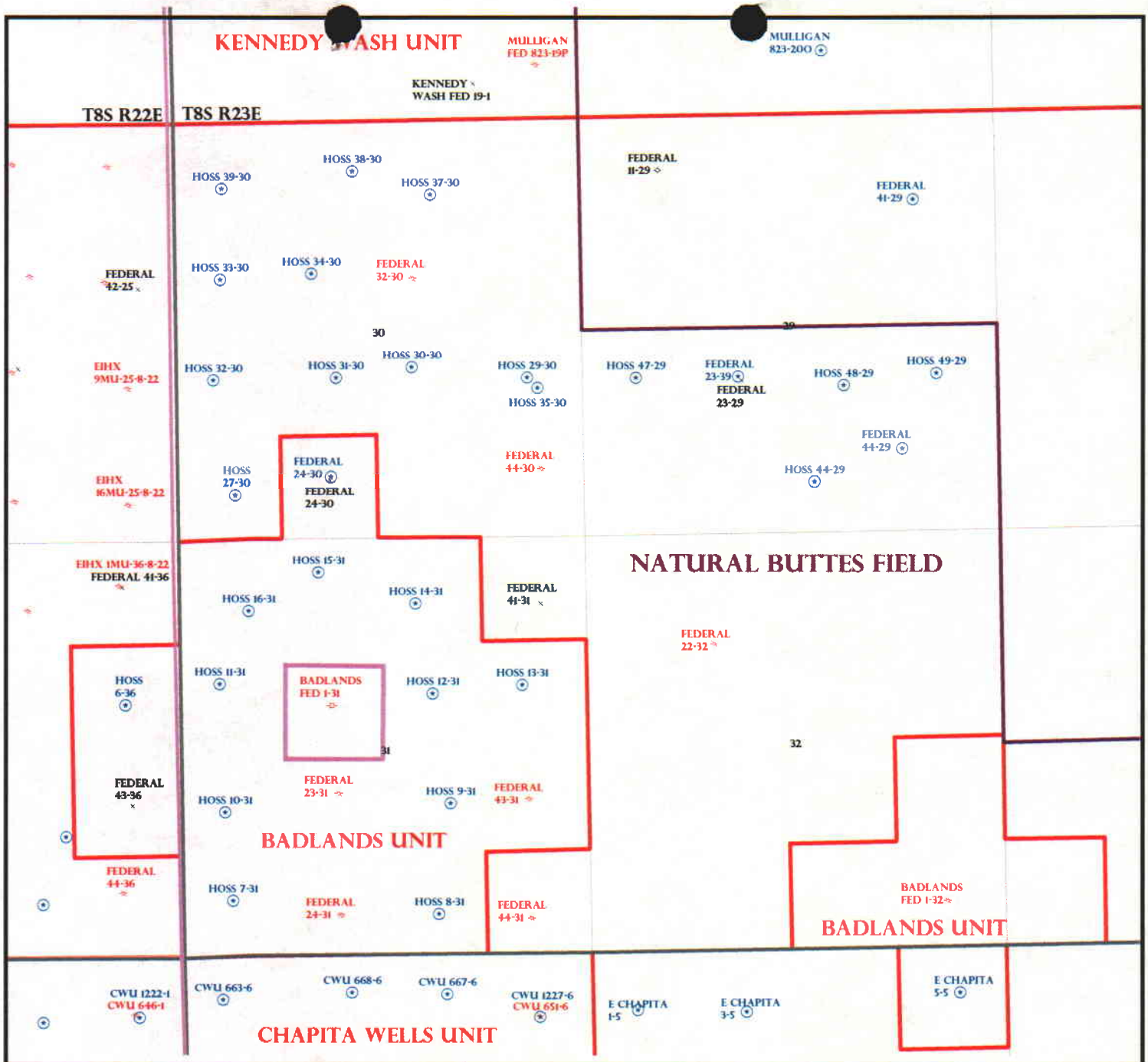
___ R649-3-3. Exception

___ Drilling Unit
Board Cause No:
Eff Date:
Siting:

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2- Spacing Slip
3- Commingle



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 29,30,31 **T.**8S **R.** 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA WHITNEY
DATE: 12-OCTOBER-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 12, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Badlands Unit, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Badlands, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Price River)

43-047-38674 Hoss 13-31 Sec 31 T08S R23E 1894 FNL 0839 FEL
43-047-38692 Hoss 16-31 Sec 31 T08S R23E 0890 FNL 0878 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Badlands Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-12-06

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 26, 2006

EOG Resources Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Hoss 13-31 Well, 1894' FNL, 839' FEL, SE NE, Sec. 31, T. 8 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38674.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: EOG Resources Inc.

Well Name & Number Hoss 13-31

API Number: 43-047-38674

Lease: UTU-61401

Location: SE NE **Sec.** 31 **T.** 8 South **R.** 23 East

Conditions of Approval

1. General

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

   Notify the Division within 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED

OCT - 3 2006

BLM VERNAL, UTAH

Form 3160-3
(February 2005)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-61401

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
Badlands UTU-60917X

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone

8. Lease Name and Well No.
HOSS 13-31

2. Name of Operator
EOG RESOURCES, INC

9. API Well No.
4304738674

3a. Address **1060 EAST HIGHWAY 40 VERNAL, UT 84078**

3b. Phone No. *(include area code)* **435-781-9111**

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface **1894 FNL 839 FEL SENE 40.081283 LAT 109.363367 LON**
At proposed prod. zone **SAME**

11. Sec., T. R. M. or Blk. and Survey or Area
SECTION 31, T8S, R23E S.L.B.&M

14. Distance in miles and direction from nearest town or post office*
37.2 MILES SOUTH OF VERNAL, UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
1980 LEASE LINE 660 DRILLING LINE	**629**	**40**
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
4360	**9790**	**NM 2308**
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
4873 GL		**45 DAYS**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name *(Printed Typed)*	Date
Title **SR. REGULATORY ASSISTANT**	**KAYLENE R. GARDNER**	**08/19/2006**
Approved by *(Signature)*	Name *(Printed Typed)* Jerry Kenczka	Date 3-7-2007
Title **Assistant Field Manager Lands & Mineral Resources**	Office **VERNAL FIELD OFFICE**	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

RECEIVED
MAR 09 2007
DIV. OF OIL, GAS & MINING

06TT0304A

NOS 7/7/06

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources**	**Location:**	**SENE, Sec 31, T8S, R23E**
Well No:	**HOSS 13-31**	**Lease No:**	**UTU-61401**
API No:	**43-047-38674**	**Agreement:**	**Badlands Unit**

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer AO. A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

Specific Surface COAs

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

- All the culverts will be installed according to the BLM Gold Book.

- The road and well pad will have road base on the surface.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored".
  - Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

Commingling:

- The commingling approval for the Wasatch and Mesaverde formations can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment BOPE shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources such as Gilsonite, tar sands, oil shale, trona, etc. to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth from KB or GL of encounter, vertical footage of the encounter and, the name of the person making the report along with a telephone number should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log CBL will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" Oil and Gas Operations Report OGOR starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 303 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.
    - Well name and number.
    - Well location ¼¼, Sec., Twn, Rng, and P.M..
    - Date well was placed in a producing status date of first production for which royalty will be paid.
    - The nature of the well's production, i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons.
    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
    - Unit agreement and/or participating area name and number, if applicable.
    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees NTL 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events fires, accidents, blowouts, spills, discharges as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" BLM Form 3160-4 shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in

accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples cuttings, fluid, and/or gas shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" Form BLM 3160-5 must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTU-61401

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Hoss 13-31

2. Name of Operator
EOG Resources, Inc.

9. API Well No.
43-047-38674

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. *(include area code)*
303-262-2812

10. Field and Pool, or Exploratory Area
Natural Buttes/Wasatch/Mesaverde

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
1,894' FNL & 839' FEL (SENE)
Sec. 31-T8S-R23E 40.081283 LAT 109.363367 LON

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other **Change Location Layout**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization to change the location layout, as per the attached revised plat, for the referenced well. The original location layout did not provide adequate surface disturbance to install rig anchors at distances as required by the manufacturer and API specifications.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Carrie MacDonald Title **Operations Clerk**

Signature Carrie MacDonald Date **05/02/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

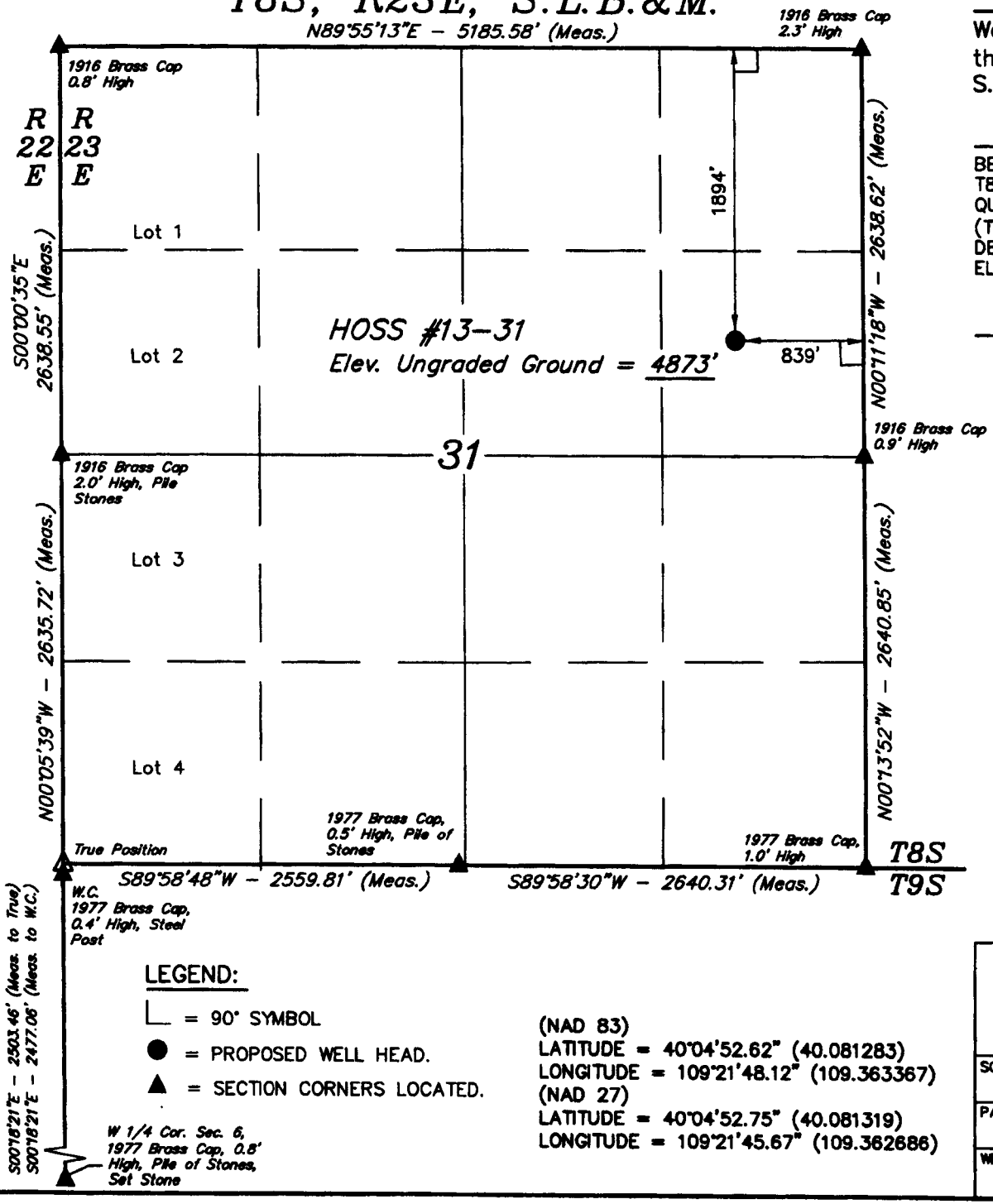
RECEIVED
MAY 03 2007
DIV. OF OIL, GAS & MINING

EOG RESOURCES, INC.
HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 8.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #41-31 TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 300' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 37.2 MILES.

T8S, R23E, S.L.B.&M.



LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°04'52.62" (40.081283)
LONGITUDE = 109°21'48.12" (109.363367)
(NAD 27)
LATITUDE = 40°04'52.75" (40.081319)
LONGITUDE = 109°21'45.67" (109.362686)

EOG RESOURCES, INC.

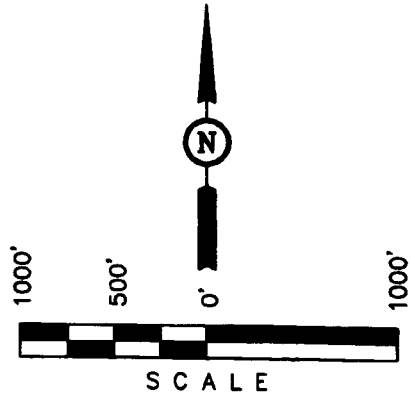
Well location, HOSS #13-31, located as shown in the SE 1/4 NE 1/4 of Section 31, T8S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

ROBERT L. MAY
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 06-20-06	DATE DRAWN: 06-26-06
PARTY: T.A. B.C. S.L.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EOG RESOURCES, INC.	

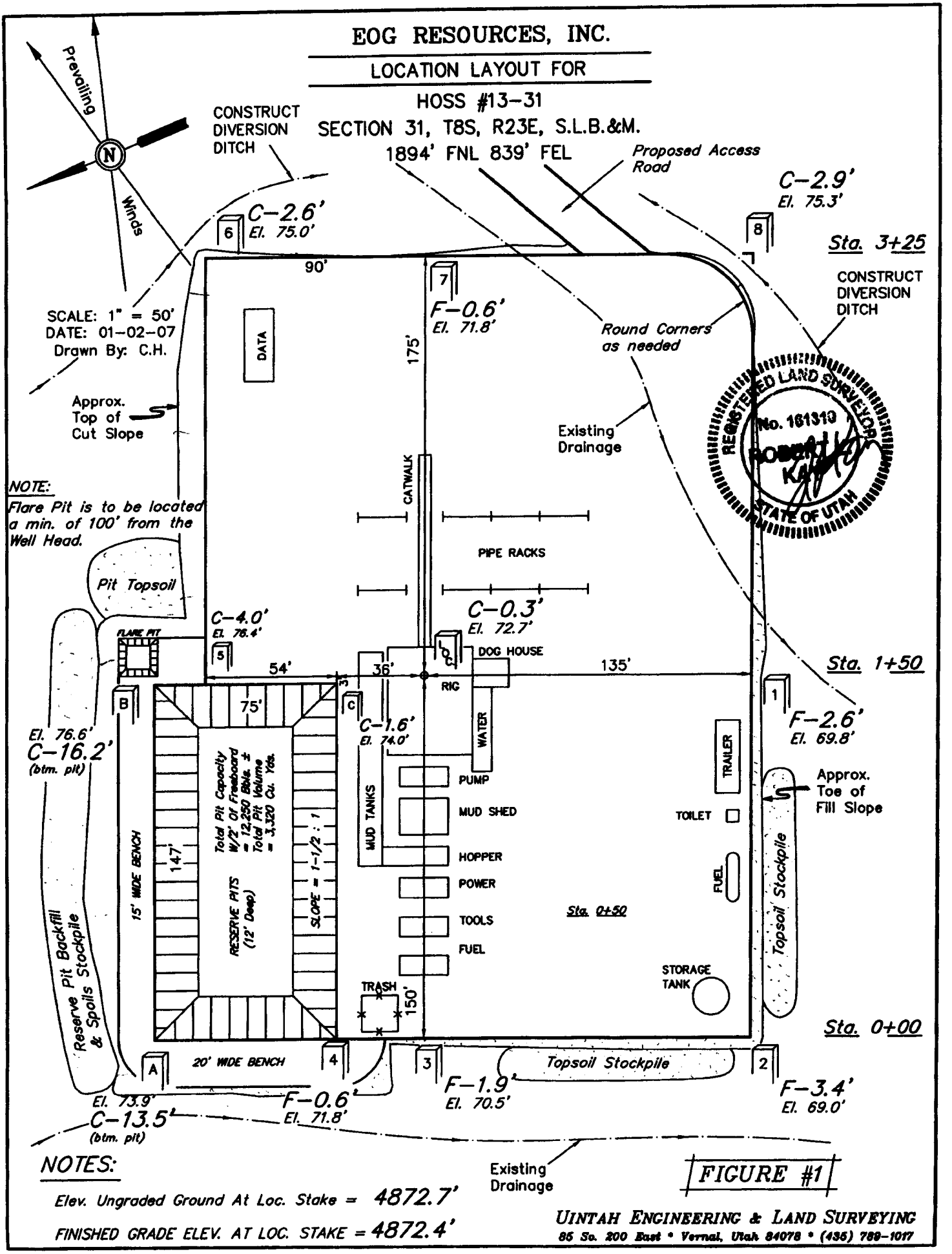
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

HOSS #13-31

SECTION 31, T8S, R23E, S.L.B.&M.

1894' FNL 839' FEL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4872.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 4872.4'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

HOSS #13-31

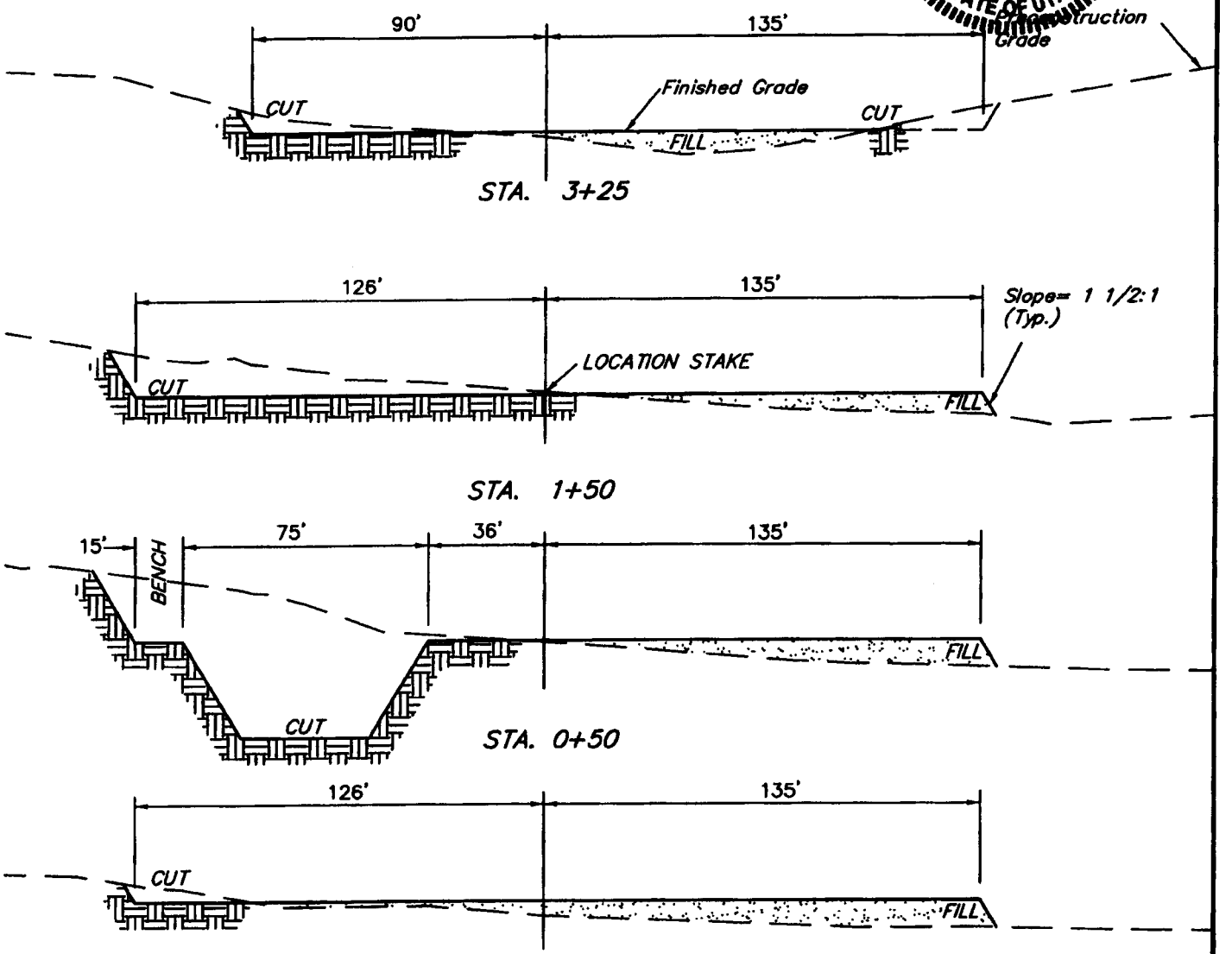
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

FIGURE #2

1" = 20'
X-Section
Scale
1" = 50'

DATE: 01-02-07
Drawn By: C.H.

REGISTERED No. 161319 ROBERT L. DAY STATE OF UTAH



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,670 Cu. Yds.
Remaining Location = 6,240 Cu. Yds.

TOTAL CUT = 7,910 CU.YDS.
FILL = 4,580 CU.YDS.

EXCESS MATERIAL = 3,330 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,330 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

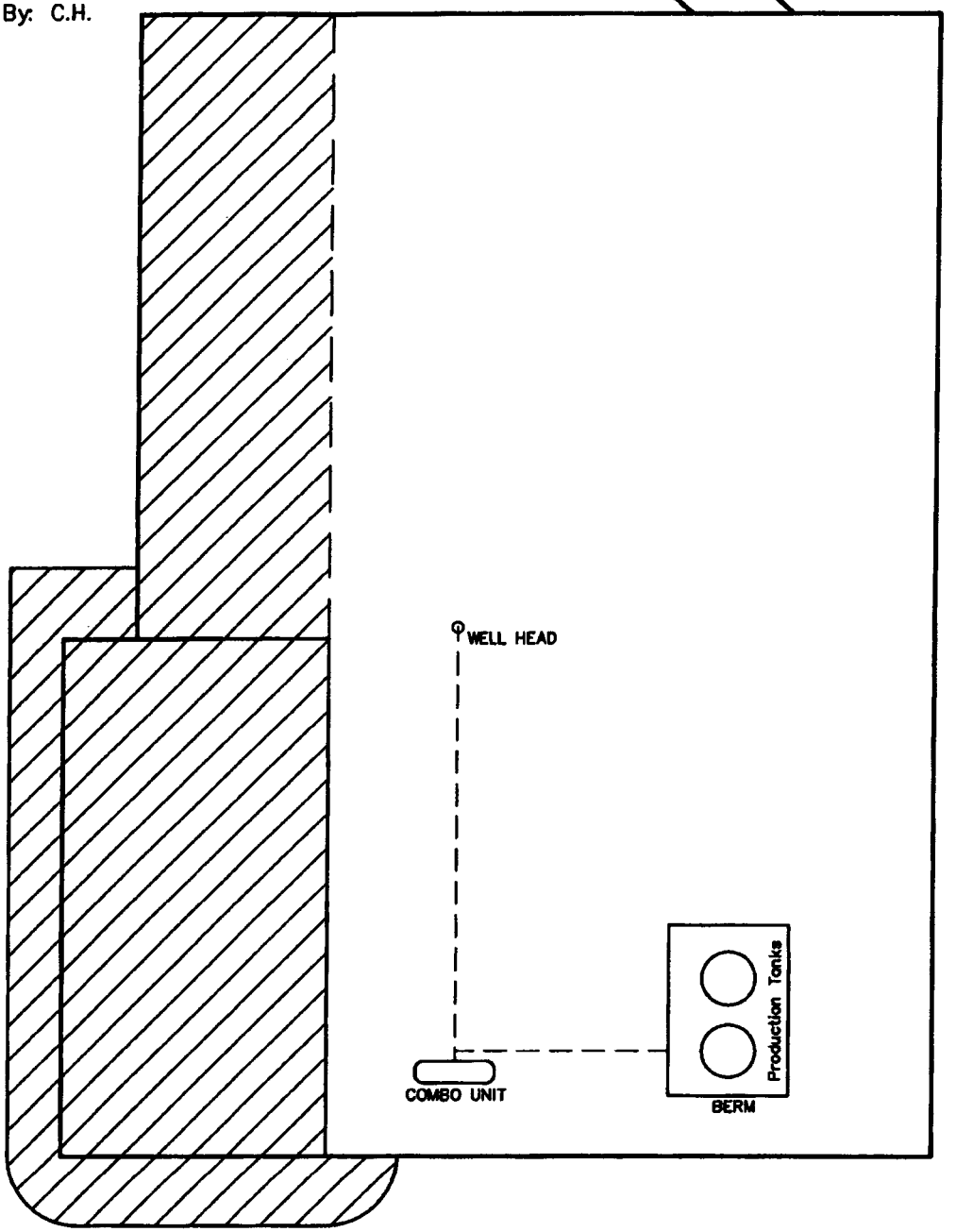
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

SCALE: 1" = 50'
DATE: 01-02-07
Drawn By: C.H.



RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

HOSS #13-31

LOCATED IN UINTAH COUNTY, UTAH
SECTION 31, T8S, R23E, S.L.B.&M.

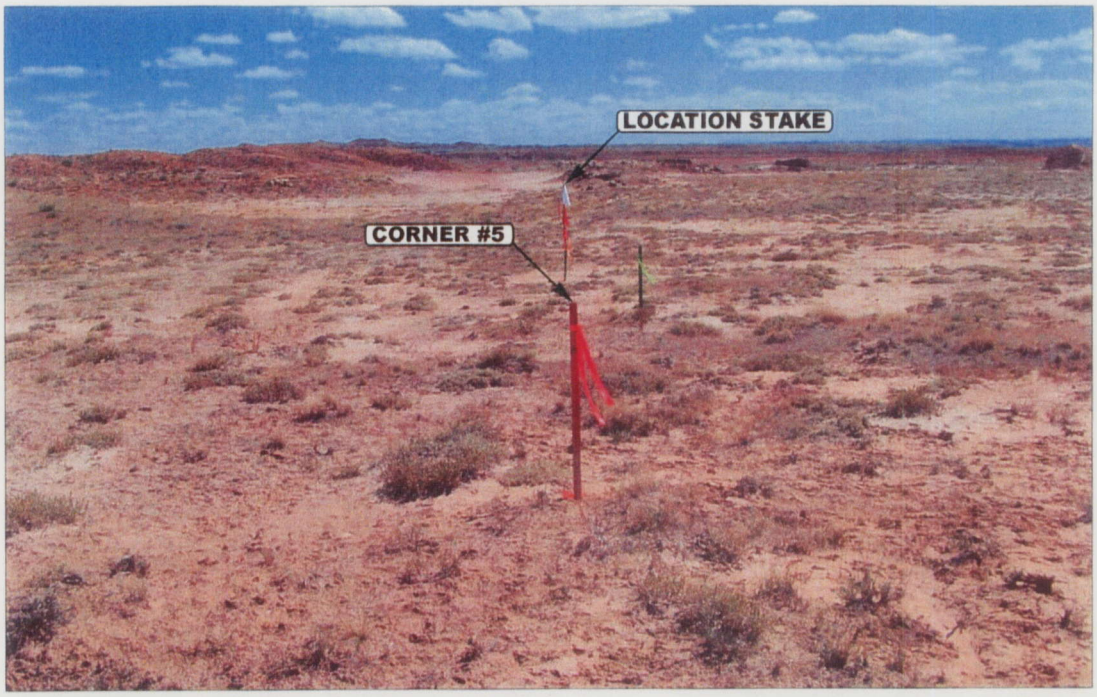


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

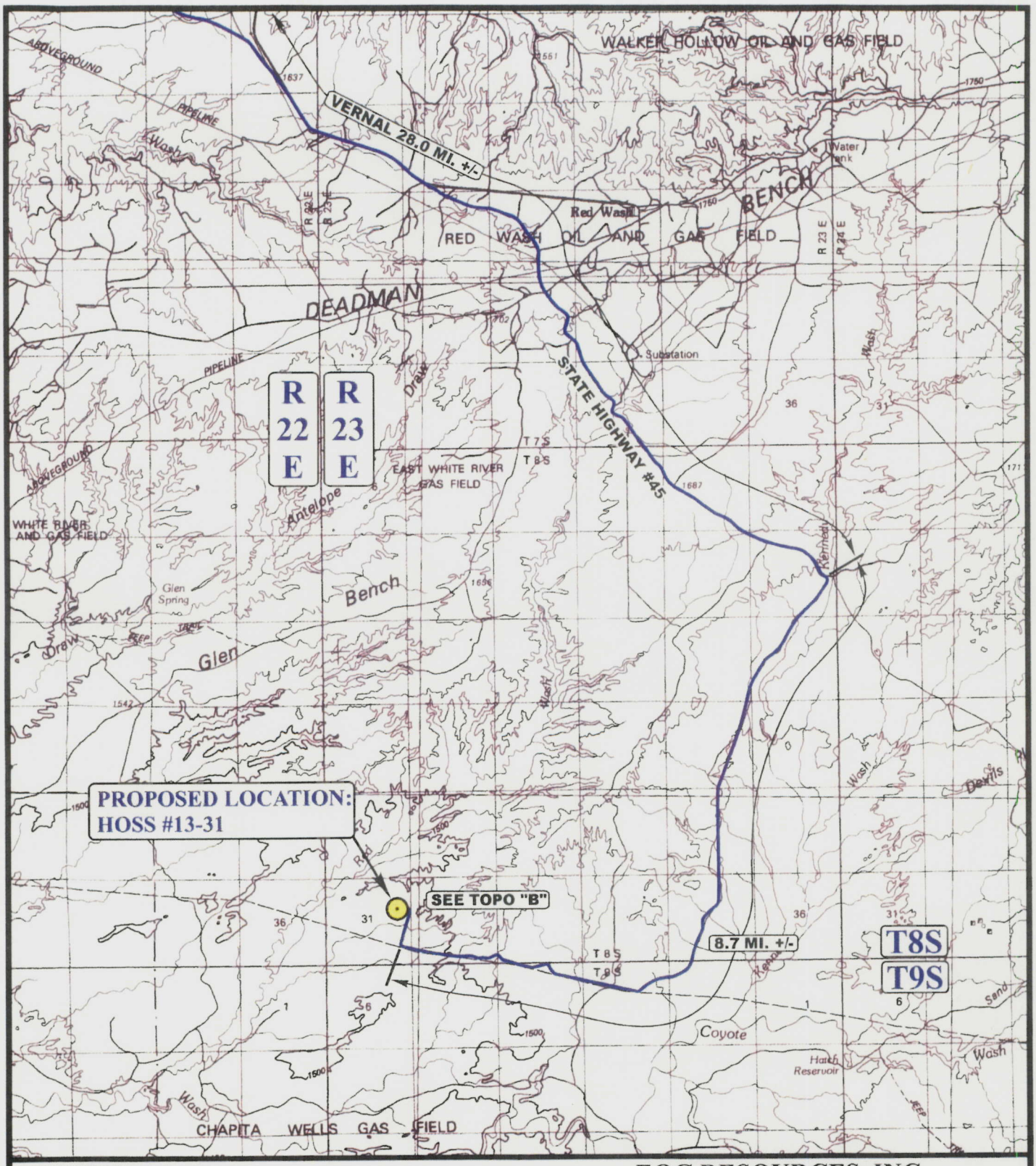
CAMERA ANGLE: SOUTHWESTERLY

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com
Since 1964

LOCATION PHOTOS	06 MONTH	27 DAY	06 YEAR	PHOTO
TAKEN BY: T.A.	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING LOCATION

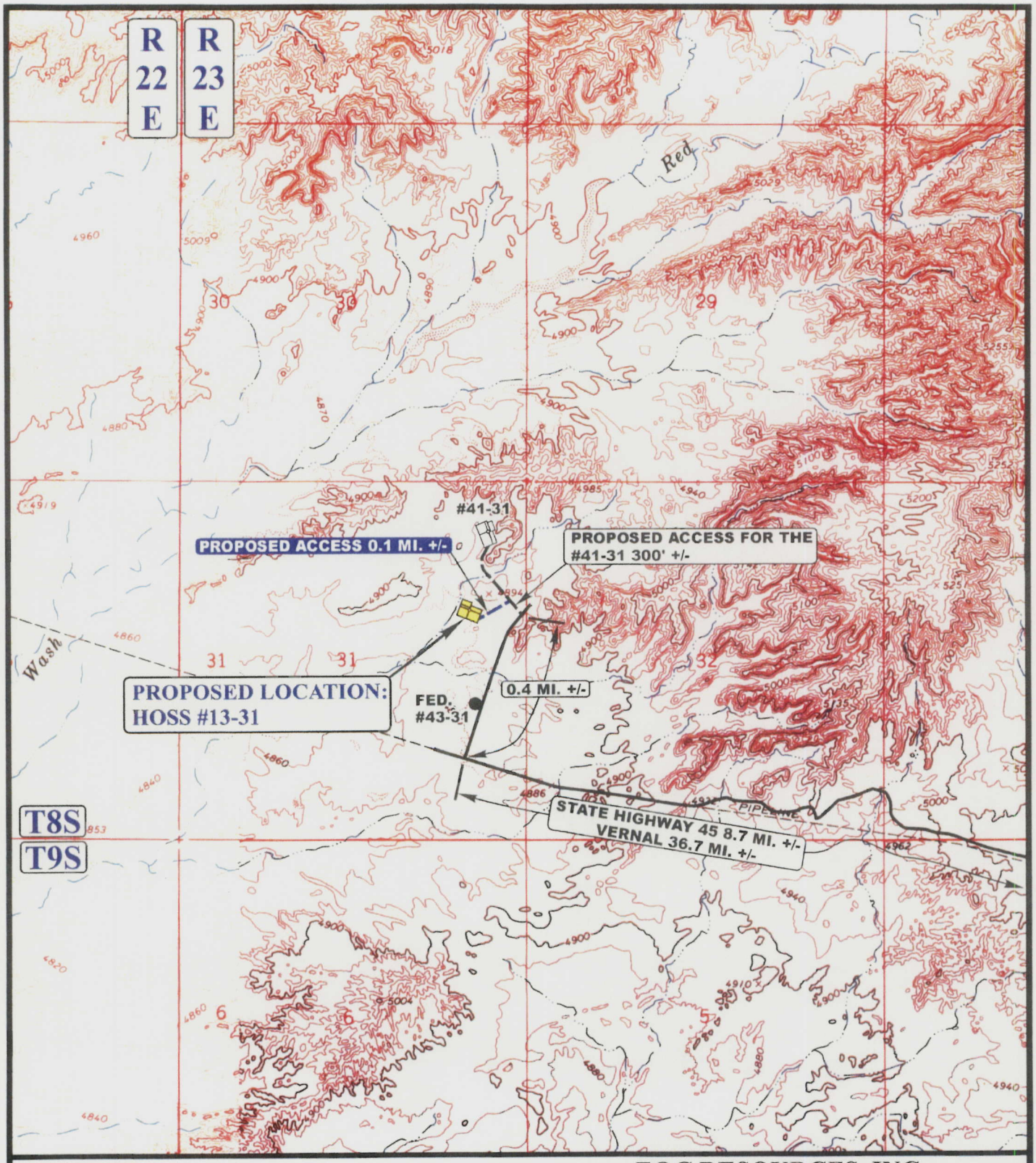
N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	27 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

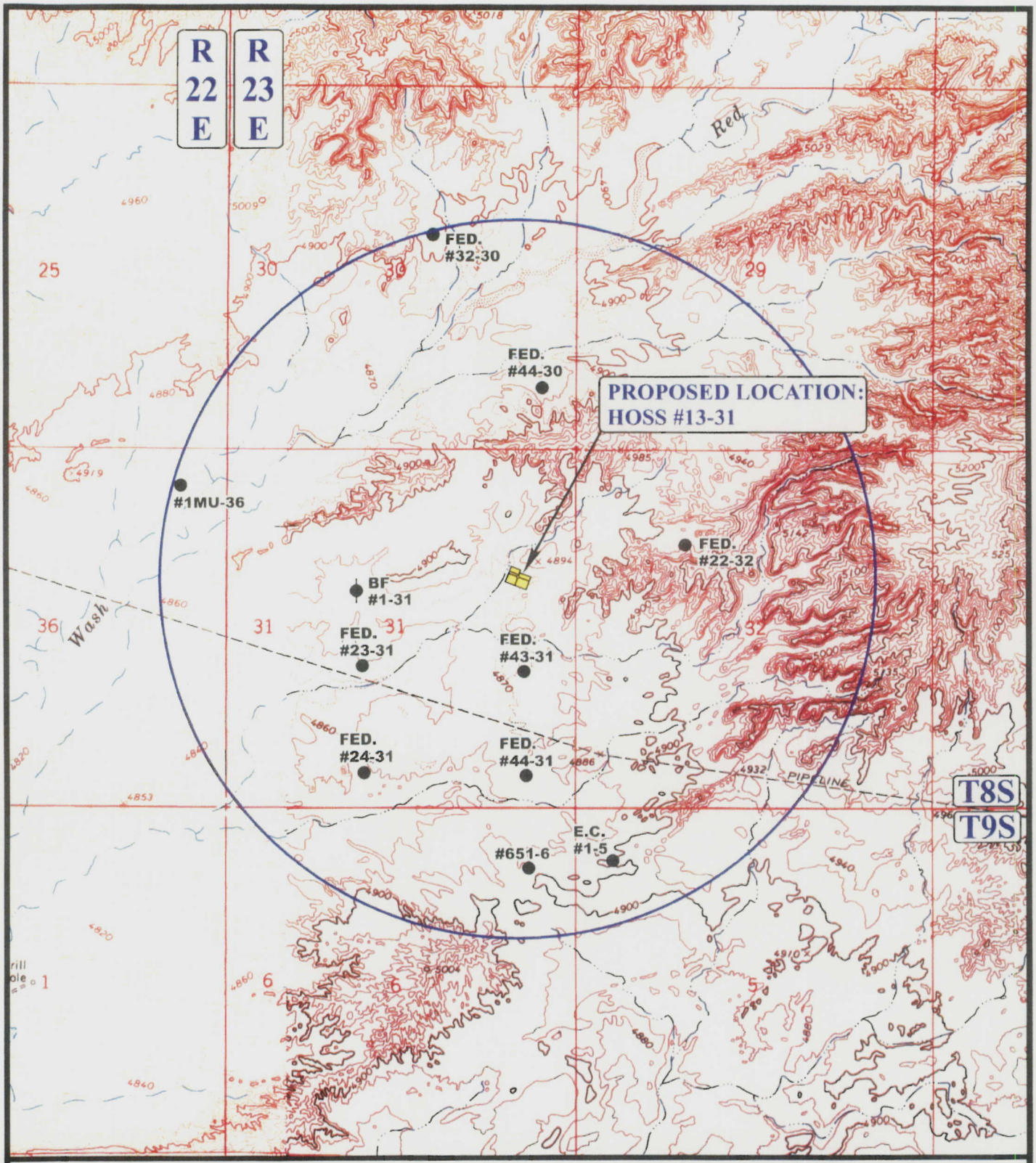
N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	27 DAY	06 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- WATER WELLS
- PRODUCING WELLS
- ABANDONED WELLS
- SHUT IN WELLS
- TEMPORARILY ABANDONED

N

EOG RESOURCES, INC.

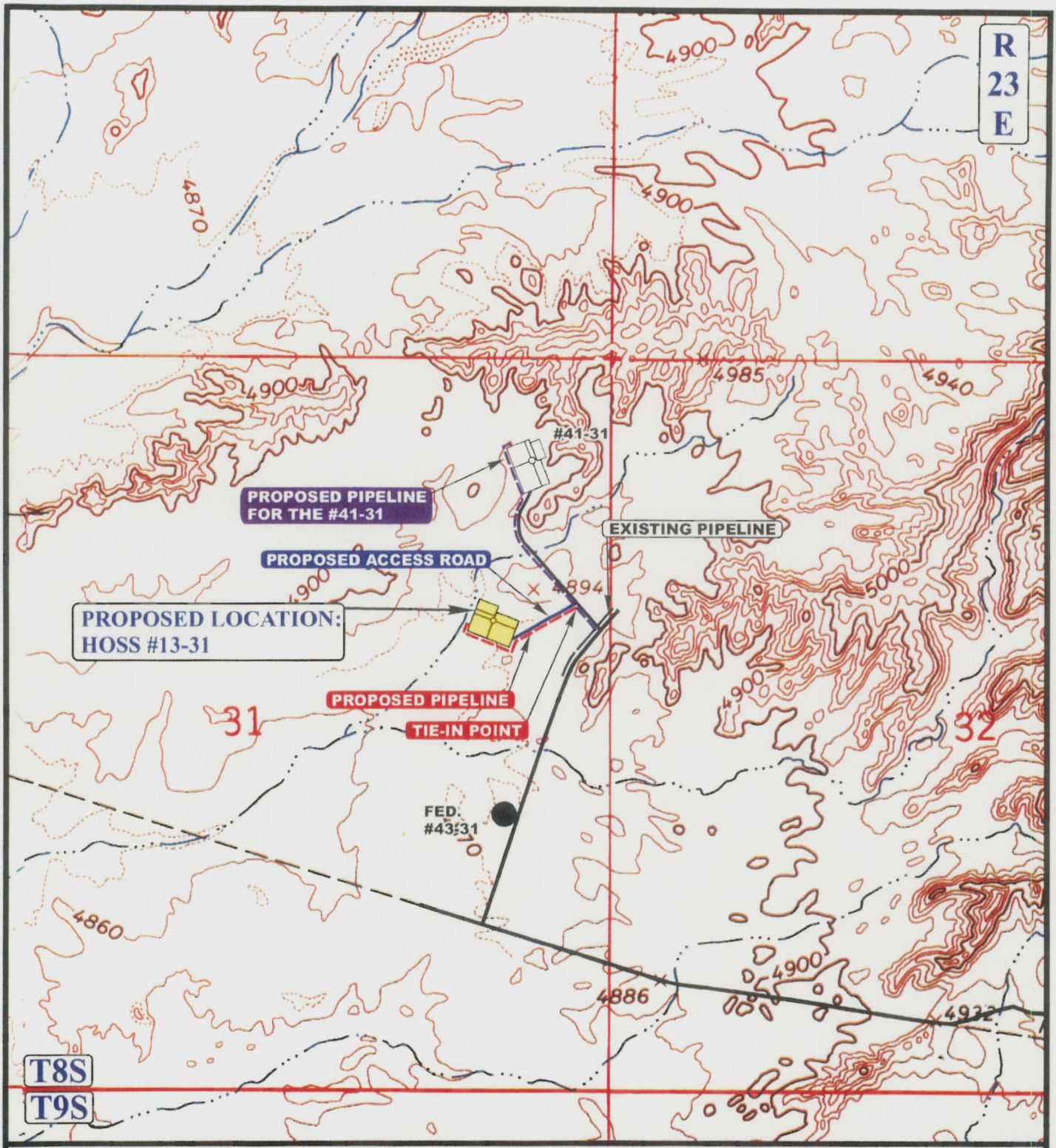
HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 06 MONTH | 27 DAY | 06 YEAR

SCALE: 1" = 2000' | DRAWN BY: B.C. | REVISED: 00-00-00

C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1050' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

EOG RESOURCES, INC.

HOSS #13-31
SECTION 31, T8S, R23E, S.L.B.&M.
1894' FNL 839' FEL

UELS
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	09 MONTH	21 DAY	06 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.H.	REVISED: 00-00-00		

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-61401

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Hoss 13-31

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-38674

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 824-5526

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1894' FNL & 839' FEL 40.081283 LAT 109.363367 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 31 8S 23E S.L.B. & M

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD EXTENSION REQUEST
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests the APD for the referenced well, approved 10/26/2006, be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-10-07

By: [signature]

10-11-07
RM

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 10/4/2007

(This space for State use only)

RECEIVED
OCT 10 2007
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-38674
Well Name: Hoss 13-31
Location: 1894 FNL 839 FEL (SENE), SECTION 31, T8S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/26/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Mary A. Maestas
Signature

10/4/2007
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

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OCT 10 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Operator Account Number: N 9550
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202
Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37834	Chapita Wells Unit 1177-03		NWNW	3	9S	22E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
KB	99999	14473	11/23/2007			11/29/07	
Comments: PRRV=MVRD							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38147	East Chapita 13-23		SWSW	23	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	16527	11/24/2007			11/29/07	
Comments: PRRV=MVRD							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38674	Hoss 13-31		SENE	31	8S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
KB	99999	10960	11/25/2007			11/29/07	
Comments: WSMVD							

ACTION CODES:
- **A** - Establish new entity for new well (single well only)
- **B** - Add new well to existing entity (group or unit well)
- **C** - Re-assign well from one existing entity to another existing entity
- **D** - Re-assign well from one existing entity to a new entity
- **E** - Other (Explain in 'comments' section)

Mary A. Maestas
Name (Please Print)
Mary A. Maestas
Signature
Regulatory Assistant
Title
11/27/2007
Date

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NOV 27 2007
DIV. OF OIL, GAS & MINING

(5/2000)

NOTICE OF LATE REPORTING
DRILLING & COMPLETION INFORMATION

Utah Oil and Gas Conservation General Rule R649-3-6 states that,

➤ Operators shall submit monthly status reports for each drilling well (including wells where drilling operations have been suspended).

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

➤ A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.

➤ Within 30 days after the completion or plugging of a well, the following shall be filed:

- Form 8, Well Completion or Recompletion Report and Log
- A copy of electric and radioactivity logs, if run
- A copy of drillstem test reports,
- A copy of formation water analyses, porosity, permeability or fluid saturation determinations
- A copy of core analyses, and lithologic logs or sample descriptions if compiled
- A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: EOG Resources, Inc. Today's Date: 04/21/2008

Well: 43 047 38674 HOSS 13-31 8S 23E 31 API Number: Drilling Commenced:

☑ List Attached

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260.

cc: Well File
Compliance File

NOTICE OF LATE REPORTING
DRILLING & COMPLETION INFORMATION

ATTACHMENT

Operator: EOG Resources, Inc. Today's Date: 04/21/2008

Well:	API Number:	Drilling Commenced:
CWU 1362-32	4304739294	10/20/2007
NBU 563-19E	4304737537	10/28/2007
CWU 1043-23	4304737877	11/01/2007
NBU 456-2E	4304736053	11/06/2007
CWU 1093-27	4304738603	11/13/2007
E Chapita 3-5	4304737854	11/16/2007
E Chapita 44-05	4304738138	11/17/2007
CWU 1079-25	4304737879	11/20/2007
Hoss 13-31	4304738674	11/25/2007
Hoss 79-19	4304738952	11/30/2007
E Chapita 4-5	4304737853	12/01/2007
CWU 689-33	4304737494	12/12/2007
Hoss 46-29	4304738726	12/15/2007

n 3160-5
gust 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU61401

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
BADLANDS UNIT

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
HOSS 13-31

2. Name of Operator
EOG RESOURCES, INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-38674

3a. Address
600 17TH STREET SUITE 1000 N.
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH/MV

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 31 T8S R23E SENE 1894FNL 839FEL
40.08128 N Lat, 109.36337 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Production Start-up
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 4/24/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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APR 29 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #59915 verified by the BLM Well Information System
For EOG RESOURCES, INC, sent to the Vernal

Name *(Printed/Typed)* MARY A. MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 04/25/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

WELL CHRONOLOGY REPORT

Report Generated On: 04-25-2008

Well Name	HOSS 013-31	**Well Type**	DEVG	**Division**	DENVER
Field	PONDEROSA	**API #**	43-047-38674	**Well Class**	COMP
County, State	UINTAH, UT	**Spud Date**	01-28-2008	**Class Date**	
Tax Credit	N	**TVD / MD**	9,850/ 9,850	**Property #**	059890
Water Depth	0	**Last CSG**	0.0	**Shoe TVD / MD**	0/ 0
KB / GL Elev	4,885/ 4,872				
Location	Section 31, T8S, R23E, SENE, 1894 FNL & 839 FEL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	100.0	**NRI %**	67.015

AFE No	304263	**AFE Total**	2,266,800	**DHC / CWC**	1,078,900/ 1,187,900		
Rig Contr	ELENBURG	**Rig Name**	ELENBURG #29	**Start Date**	10-18-2006	**Release Date**	02-15-2008
10-18-2006	**Reported By**	SHARON WHITLOCK					
DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0		
MD	0 **TVD** 0	**Progress**	0	**Days**	0 **MW** 0.0	**Visc**	0.0
Formation :	**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0		

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 1894' FNL & 839' FEL (SE/NE) SECTION 31, T8S, R23E UINTAH COUNTY, UTAH LAT 40.081283, LONG 109.363367 (NAD 83) LAT 40.081319, LONG 109.362686 (NAD 27) RIG: ELENBURG #29 OBJECTIVE: 9850' TD, PONDEROSA DW/GAS PONDEROSA PROSPECT DD&A: PONDEROSA NATURAL BUTTES FIELD LEASE: UTU- 61401 ELEVATION: 4872.7' NAT GL, 4872.2' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4872'), 4885' KB (13') EOG WI 100%, NRI 67.014938%

11-13-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $0 **Completion** $0 **Well Total** $0

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CONSTRUCTION OF LOCATION 10% COMPLETE.

11-14-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $38,000 **Completion** $0 **Daily Total** $38,000

Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-15-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

11-16-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING.

11-19-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-20-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-21-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-26-2007 **Reported By** TERRY CSERE/JERRY BARNES

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	80	**TVD**	80	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 11/25/07 @ 11:45 AM. SET 80' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 11/25/07 @ 10:45 AM.

11-27-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	80	**TVD**	80	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

01-14-2008 **Reported By** JERRY BARNES

DailyCosts: Drilling	$222,733	**Completion**	$0	**Daily Total**	$222,733				
Cum Costs: Drilling	$260,733	**Completion**	$0	**Well Total**	$260,733				
MD	2,556	**TVD**	2,556	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WORT

Start	End	Hrs	Activity Description

06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 12/14/2007. DRILLED 12-1/4" HOLE TO 1270' GL. RIG HAD POWER HEAD FAILURE & RIGGED DOWN FOR REPAIRS. RIGGED BACK UP ON 12/27/07 & FINISHED DRILLING 12 ¼" HOLE TO 2610' GL. ENCOUNTERED WATER @ 1270'. RAN 60 JTS (2543.95') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2556' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO AIR RIG. MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 165 BBLS FRESH WATER & 40 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 240 SX (163.2 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3% SALT & ¼ #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX. TAILED IN W/200 SX (40.9 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.8 W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/193.3 BBLS FRESH WATER. BUMPED PLUG W/1000# @ 7:01 AM, 1/1/2008. CHECK FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 164 BBL INTO FRESH WATER FLUSH. CIRCULATED 10 BBLS GELLED WATER TO SURFACE. NO CEMENT TO SURFACE. HOLE FELL BACK WHEN PLUG BUMPED. TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 125 SX (25.6 BLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES.. TOP JOB # 2: MIXED & PUMPED 125 SX (25.6 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/ SX FOLCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS. TOP JOB # 3: MIXED & PUMPED 195 SX (39.9 BBLS) OF PREMIUM CEMENT W/2 % CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2427'. PICKED UP TO 2407' & TOOK SURVEY. 1.5 DEGREE. KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 12/29/2007 @ 6:15 PM.

01-27-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$75,517	**Completion**	$0	**Daily Total**	$75,517
Cum Costs: Drilling	$336,250	**Completion**	$0	**Well Total**	$336,250

MD	2,556	**TVD**	2,556	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: NU BOPE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MOVE RIG & CAMP FROM HOSS 76-19 TO HOSS 13-31 11.9 MILE MOVE.
18:00	04:00	10.0	RIG UP
04:00	06:00	2.0	NIPPLE UP BOP'S, FMC ON SITE FOR STACK UP & TEST DTO. ***START DAYWORK ON 01/27/08 @ 04:00 HRS. NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS SAFETY MTGS; RIG MOVE, RIG UP. FUEL: 4700, RECEIVED 4500

01–28–2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$59,439	**Completion**	$0	**Daily Total**	$59,439
Cum Costs: Drilling	$395,689	**Completion**	$0	**Well Total**	$395,689

MD	2,556	**TVD**	2,556	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TIH

Start	End	Hrs	Activity Description
06:00	16:30	10.5	NIPPLE UP BOP'S
16:30	01:30	9.0	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP. JAIME SPARGER VERNAL OFFICE ON 01/26/08 @ 09:30 HRS FOR BOP TEST.
			INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN.
			HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.
			CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.
			PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.
			ANNULAR, 250/2500 PSI 5/10 MIN.
			TEST 9 5/8" CASING TO 1500 PSI 30 MIN.
01:30	06:00	4.5	INSTALL WEAR BUSHING, TRIP IN HOLE WITH BIT #1
			NO ACCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: NIPPLE UP, BOP TEST
			CHECK COM, BOILER 24 HRS
			FUEL:8701 ON HAND,4500 RECEIVED

01–29–2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$29,012	**Completion**	$0	**Daily Total**	$29,012
Cum Costs: Drilling	$424,701	**Completion**	$0	**Well Total**	$424,701

MD	4,150	**TVD**	4,150	**Progress**	1,540	**Days**	1	**MW**	8.5	**Visc**	27.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP IN HOLE TO TOP OF CEMENT, 2485'
07:30	10:00	2.5	SLIP & CUT DRILL LINE
10:00	12:30	2.5	DRILL CEMENT/FLOAT EQUIP. 2485' TO 2610'
			DRILL 15' OF NEW HOLE TO 2625' FOR FIT
12:30	13:00	0.5	CIRCULATE HOLE CLEAN, SPOT HI–VIS LCM PILL ON BOTTOM, PULL BIT INTO SHOE.
13:00	13:30	0.5	CONDUCT FIT @ 2556' WITH 8.4 PPG 300 PSI, 10.6 PPG EMW.
13:30	14:00	0.5	SURVEY @ 2556' 1 DEG.
14:00	15:00	1.0	PREP RIG FLOOR, BOPE TO DRILL AHEAD.
15:00	00:30	9.5	DRILL ROTATE 2625' TO 3608' (983') ROP 103
			WOB 16/18K, RPM 40/50 + 70, GPM 440, 1100 PSI
00:30	01:00	0.5	SURVEY @3531' 1.5 DEG.
01:00	06:00	5.0	DRILL ROTATE 3608' TO 4150' (542') ROP 108
			WOB 16/18K, RPM 40/50 + 70, GPM 440, 1100 PSI
			SPUD @ 15:00 HRS ON 01/28/08
			M/W 8.9, VISC 30
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS

SAFETY MTGS: HOUSEKEEPING, TAKING SURVEYS
FUEL: 7484, USED 1217. BOILER 24 HRS
BOP DRILLS: DAY 1 MIN 45 SEC. NIGHT 2 MIN.

06:00		18.0	SPUD 7 7/8" HOLE @ 15:00 HRS, 1/28/08.

01-30-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$30,763	**Completion**	$0	**Daily Total**	$30,763
Cum Costs: Drilling	$455,465	**Completion**	$0	**Well Total**	$455,465

MD	6,200	**TVD**	6,200	**Progress**	2,050	**Days**	2	**MW**	9.0	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 6200'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL ROTATE 4150' TO 4470' (320') ROP 128
			WOB 16/18K, RPM 40/50 + 70, GPM 440, PSI 1500
08:30	09:00	0.5	SURVEY @ 4400' 2 DEG.
09:00	10:30	1.5	DRILL ROTATE 4470' TO 4697' (227') ROP 151
			WOB 16/18K, RPM 40/50 + 70, GPM 440, PSI 1500
10:30	11:00	0.5	SERVICE RIG
11:00	06:00	19.0	DRILL 4697' – 6200'. (1503') ROP 79
			WOB 16/18K, RPM 40/50 + 70, GPM 440, PSI 1500
			M/W 9.4, VIS 36 LOSSES @ 10/15 BPH
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: SLIPS TRIPS & FALLS, FORKLIFT OPS
			FUEL: 6090, USED 1394. BOILER 24 HRS, CHECK COM

01-31-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$44,703	**Completion**	$0	**Daily Total**	$44,703
Cum Costs: Drilling	$500,168	**Completion**	$0	**Well Total**	$500,168

MD	7,350	**TVD**	7,350	**Progress**	1,150	**Days**	3	**MW**	9.4	**Visc**	30.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 7350'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL ROTATE 6200' TO 6783' (583') ROP 64
			WOB 18/20K, RPM 40/50 + 70, GPM 440, PSI 1500 – 1650
			M/W 9.4, VIS 34, LCM 10% LOSSES 30/50 BPH
15:00	15:30	0.5	SERVICE RIG
15:30	06:00	14.5	DRILL ROTATE 6783' TO 7350' (567') ROP 39
			WOB 18/20K, RPM 40/50 + 60, GPM 385, PSI 1400 – 1650
			M/W 9.6, 42 VIS, 12% LCM, NO LOSSES
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: MIXING CHEMICALS X 2
			FUEL: 7747, BOILER 24 HRS, CHECK COM

02-01-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$52,418	**Completion**	$0	**Daily Total**	$52,418

Cum Costs: Drilling	$552,587	**Completion**	$0			**Well Total**	$552,587		
MD	8,280	**TVD**	8,280	**Progress**	930	**Days**	4	**MW**	9.8	**Visc**	49.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: DRILLING @ 8280'

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILL ROTATE 7350' TO 8280' (930') ROP 38.75
			WOB 18/20K, RPM 40/50 + 60, GPM 385, PSI 1400 – 1650
			M/W 10.0, 44 VIS, 15% LCM.
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: ICY CONDITIONS, PP&E
			FUEL: 6956, USED 791, BOILER 24 HRS, CHECK COM

02–02–2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$42,072	**Completion**	$800			**Daily Total**	$42,872		
Cum Costs: Drilling	$594,660	**Completion**	$800			**Well Total**	$595,460		
MD	8,280	**TVD**	8,280	**Progress**	0	**Days**	5	**MW**	10.1	**Visc**	50.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BIT TRIP@8280 / RIG REPAIR

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRCULATE FOR BIT TRIP
07:00	09:00	2.0	TRIP OUT OF HOLE FROM 8270' TO 6300' PIPE PULLING WET.
09:00	11:00	2.0	MIX & PUMP SLUG, HOLE TOOK 40 BBL FLUID BEFORE RETURNS.
11:00	14:00	3.0	TRIP OUT OF HOLE TO SHOE.
14:00	14:30	0.5	SERVICE RIG
14:30	18:30	4.0	MIX 80 BBL LCM PILL /30 PPB, SPOT @ SHOE.
18:30	19:00	0.5	RIG REPAIR, REPLACE BAD VALVE ON TRIP TANK.
19:00	22:00	3.0	TRIP OUT OF HOLE FROM SHOE TO BHA, WET TRIP. KEEP RIG FLOOR THAWED OUT.
22:00	00:00	2.0	TRIP OUT OF HOLE, LAY OUT REAMERS, MOTOR & BIT.
			RETREIVE SURVEY, 2 DEG.
00:00	00:30	0.5	DRAIN TRIP TANK & HOSES.
00:30	02:30	2.0	MAKE UP BIT #2 & NEW MOTOR
02:30	03:00	0.5	INSTALL NEW ROTATING HEAD RUBBER.
03:00	04:30	1.5	TRIP IN HOLE TO SHOE.
04:30	06:00	1.5	RIG REPAIR, REPLACE HYDRAULIC MOTORS ON POWER SWIVEL.
			M/W IN PITS: 9.4, 36 VIS, 15% LCM.
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: MIXING LCM, TRIPS
			FUEL: 10,462, RECEIVED 4500, BOILER 24 HRS, CHECK COM

02–03–2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$29,351	**Completion**	$4,443			**Daily Total**	$33,794		
Cum Costs: Drilling	$624,012	**Completion**	$5,243			**Well Total**	$629,255		
MD	8,800	**TVD**	8,800	**Progress**	520	**Days**	6	**MW**	9.4	**Visc**	39.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: DRILLING @ 8800'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RIG REPAIR, REPLACE HYDRAULIC MOTORS ON POWER SWIVEL.
09:00	10:00	1.0	TRIP IN HOLE FROM 2550' TO 3500'
10:00	11:00	1.0	PUMP LCM PILL.
11:00	12:00	1.0	TRIP IN HOLE FROM 3500' TO 4500'
12:00	13:00	1.0	PUMP LCM PILL AROUND.
13:00	14:00	1.0	TRIP IN HOLE FROM 4500' TO 5500'
14:00	15:00	1.0	CIRCULATE BOTTOMS UP.
15:00	16:00	1.0	TRIP IN HOLE 5500 TO 6500' WASH & REAM TIGHT SPOTS (5600' TO 5800')
16:00	17:00	1.0	CIRCULATE BOTTOMS UP, 10 BBL LOSSES
17:00	17:30	0.5	TRIP IN HOLE FROM 6500' TO 7500'
17:30	18:30	1.0	CIRCULATE BOTTOMS UP, 20 BBL LOSSES
18:30	19:30	1.0	TRIP IN HOLE 7500' TO 8280'
19:30	06:00	10.5	DRILL ROTATE 8280' TO 8800' (520') ROP 49
			WOB 16/18K, RPM 40/50 + 60, GPM 365, PSI 1500
			M/W: 9.8, 40 VIS, 15% LCM. NO LOSSES
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: HOUSE KEEPING, TRIPPING PIPE
			FUEL: 9376, USED:1086, BOILER 24 HRS, CHECK COM

02-04-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$42,329	**Completion**	$2,633	**Daily Total**	$44,962
Cum Costs: Drilling	$666,341	**Completion**	$7,876	**Well Total**	$674,217

MD	8,887	**TVD**	8,887	**Progress**	87	**Days**	7	**MW**	9.9	**Visc**	39.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TIH W/BIT #3

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL ROTATE 8800' TO 8887' (87')
16:30	17:00	0.5	SERVICE RIG
17:00	19:30	2.5	CIRCULATE HOLE, BUILD & PUMP PILL
19:30	00:30	5.0	TRIP OUT OF HOLE FROM 8887' FOR BIT # 3
			PIPE PULLING WET @ SHOE.
00:30	01:00	0.5	RIG REPAIR, AIR SLIPS
01:00	03:30	2.5	LAY OUT BHA
03:30	04:30	1.0	CLEAN OFF RIG FLOOR
04:30	06:00	1.5	MAKE UP BIT #3, TRIP IN HOLE.
			M/W: 9.9, 40 VIS, 15% LCM.
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: KEEPING RIG THAWED X 2
			FUEL: 8243, USED:1133, BOILER 24 HRS, CHECK COM
			FUNCTION BLIND RAMS

02-05-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$33,395	**Completion**	$0	**Daily Total**	$33,395
Cum Costs: Drilling	$699,737	**Completion**	$7,876	**Well Total**	$707,613

MD	9,120	**TVD**	9,120	**Progress**	233	**Days**	8	**MW**	9.9	**Visc**	39.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TOH FOR BIT

Start	End	Hrs	Activity Description
06:00	14:00	8.0	TRIP IN HOLE TO 8887'
14:00	15:00	1.0	CIRCULATE & BUILD VOLUME
15:00	05:30	14.5	DRILL ROTATE 8887' TO 9120' (233') ROP 16
			WOB 14/16K, RPM 40/50 + 62, GPM 390, PSI 1500/1700
			M/W: 10.0, 36 VIS, 10% LCM.
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: TRIPS, HOUSEKEEPING
			FUEL: 7518, USED:725, BOILER 24 HRS, CHECK COM
			FUNCTION PIPE RAMS
05:30	06:00	0.5	TRIP OUT OF HOLE FOR BIT #4

02-06-2008 **Reported By** ROBERT DYSART

DailyCosts: Drilling	$45,148	**Completion**	$0	**Daily Total**	$45,148
Cum Costs: Drilling	$744,885	**Completion**	$7,876	**Well Total**	$752,761

MD	9,120	**TVD**	9,120	**Progress**	0	**Days**	9	**MW**	10.0	**Visc**	39.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILDING MUD VOLUME W/LCM

Start	End	Hrs	Activity Description
06:00	15:00	9.0	TRIP OUT OF HOLE FOR BIT #4, FLOW CHECK @ SHOE, REMOVE ROTATING HEAD RUBBER. LAY OUT BHA
			STRING PULLED WET @ 2000'
15:00	16:00	1.0	CHANGE OUT WEAR BUSHING.
16:00	17:00	1.0	SERVICE RIG, CLEAN OFF RIG FLOOR.
17:00	20:30	3.5	WELDER ON SITE, MODIFY BIT BREAKER FOR HC509 BIT
20:30	21:30	1.0	MAKE UP BIT #4 & MOTOR.
21:30	22:00	0.5	RIG REPAIR, IRON ROUGHNECK
22:00	23:30	1.5	TRIP IN HOLE TO SHOE 2556'.
23:30	00:00	0.5	INSTALL ROTATING HEAD RUBBER, HOOK UP KELLY HOSE
00:00	01:00	1.0	TRIP IN HOLE TO 3500'
01:00	01:30	0.5	RIG REPAIR, SLIPS
01:30	02:00	0.5	TRIP IN HOLE TO 3800' NO PIPE DISPLACEMENT, FILL UP STRING, ATTEMPT TO BREAK CIRCULATION W/ NO RETURNS.
02:00	06:00	4.0	WORK PIPE, RECIPRICATE & ROTATE, KEEP BACKSIDE FULL. BUILD VOLUME IN PITS WITH PRE-MIX MUD & PIT WATER, BUILD 100 BBL'S OF 30 PPB LCM PILL.
			M/W: (IN TANKS)9.7 PPG, VISC:36
			NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
			SAFETY MTGS: CREWCHANGE X 2
			FUEL: 6753, USED:765, BOILER 24 HRS, CHECK COM
			FUNCTION BLIND RAMS & PIPE RAMS

02-07-2008 **Reported By** D. WINKLER, R. DYSART

DailyCosts: Drilling	$53,073	**Completion**	$0	**Daily Total**	$53,073
Cum Costs: Drilling	$797,959	**Completion**	$7,876	**Well Total**	$805,835

MD	9,120	**TVD**	9,120	**Progress**	0	**Days**	10	**MW**	10.0	**Visc**	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WORKING TIGHT HOLE AT 9025'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIPPING IN HOLE WITH BIT # 4
07:30	09:30	2.0	RIG REPAIR, ELECTRICAL PROBLEMS
09:30	10:00	0.5	SERVICE RIG
10:00	11:30	1.5	RIG REPAIR, ELECTRICAL PROBLEMS
11:30	16:00	4.5	CLEANING EQUIPMENT FROM PULLING WET PIPE, SHOVEL OUT SHALE PIT
16:00	01:00	9.0	TRIPPING IN HOLE WITH BIT # 4
01:00	01:30	0.5	WASH/REAM 8950' TO 9044' (94') MW 10., VIS 36, GPM 400, LOST 250 BBLS, NOW HAVE FULL CIRCULATION. TIGHT CONN. AT 9044'. PULL TWO JTS. SWIVEL NOT OPERATING. HOLE PACKED OFF.
01:30	02:00	0.5	REPLACE O RING IN SWIVEL HOUSE
02:00	06:00	4.0	WORKING TIGHT SPOT AT 9025', MW 10., VIS 36, NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 CHECKING MOTORS , SAFETY MEETING # 2: PPE, FUEL ON HAND 5552 , USED 1196 GLS, (UNMANNED MUD LOGGER DAY # 10),

02-08-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$35,852	**Completion**	$0	**Daily Total**	$35,852
Cum Costs: Drilling	$833,812	**Completion**	$7,876	**Well Total**	$841,688

MD	9,120	**TVD**	9,120	**Progress**	0	**Days**	11	**MW**	9.2	**Visc**	31.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: CIRCULATE & CONDITION MUD

Start	End	Hrs	Activity Description
06:00	13:30	7.5	WORK STUCK PIPE @ 9025'
13:30	14:00	0.5	SAFETY MEETING WITH THIRD PARTY CONTRACTORS
14:00	21:00	7.0	RIG UP DCT FREE POINT TOOLS, DETERMINE FREE-POINT AT 7600'. POH W/ TOOLS. USED MUD PUMP TO PRESSURE SURGE HOLE WHILE R/U TOOLS. RUN BACK-OFF SHOT AND BEGIN WORKING PIPE TO THE LEFT FOR BACK OFF. PIPE MOVED DOWN AND ATTAINED JAR ACTION.
21:00	01:00	4.0	CIRCULATE AND WORK STUCK PIPE. PIPE BECAME FREE.
01:00	06:00	5.0	PULLED WET PIPE TO 6600', GOOD WELL BORE.
			BUILDING MUD PIT VOLUME AND CONDITIONING MUD TO CIRCULATE HOLE, WORKING PIPE,
			NO ACCIDENTS / INCIDENTS,
			NO RIG REPAIRS, FULL CREWS,
			SAFETY MEETING # 1 WITH THIRD PARTY CONTRACTORS , SAFETY MEETING # 2: PPE,
			FUEL ON HAND 4804 , USED 748 GLS, (UNMANNED MUD LOGGER DAY # 11),
			TOTAL MUD LOST 850 BBL'S DURING STUCK PIPE OPERATION 21:00 - 06:00

02-09-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$52,607	**Completion**	$0	**Daily Total**	$52,607
Cum Costs: Drilling	$886,419	**Completion**	$7,876	**Well Total**	$894,295

MD	9,120	**TVD**	9,120	**Progress**	0	**Days**	12	**MW**	9.5	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WASH & REAM TO BTM

Start	End	Hrs	Activity Description
06:00	07:30	1.5	BUILDING MUD PIT VOLUME
07:30	10:00	2.5	BIT DEPTH 6600', MW 9.6, VIS 38, ATTEMPT TO CIRCULATE LOST 200 BBLS MUD NO CIRCULATION

10:00	12:30	2.5	SET UP EQUIPMENT TO FILL ANNULAR WITH RESERVE PIT FLUIDS
12:30	15:00	2.5	TRIP BIT # 4 TO 4000'
15:00	16:30	1.5	MW 9.4, VIS 38, ESTABLISHED CIRCULATION @ 4000', CIRCULATING WELL BORE, LOST 50 BBLS FLUID
16:30	18:00	1.5	TRIP BIT # 4 TO 5200',
18:00	19:30	1.5	MW 9.3, VIS 39, ESTABLISHED CIRCULATION @ 5200', CIRCULATING WELL BORE, NO LOSSES, CUT AND SLIP DRILL LINE
19:30	21:30	2.0	TRIP BIT # 4 TO 6200'
21:30	22:30	1.0	MW 9.6, VIS 39, ESTABLISHED CIRCULATION @ 6200', CIRCULATING WELL BORE, NO LOSSES
22:30	23:30	1.0	TRIP BIT # 4 TO 6700'
23:30	00:30	1.0	MW 9.6, VIS 39, ESTABLISHED CIRCULATION @ 6700', CIRCULATING WELL BORE, NO LOSSES
00:30	01:30	1.0	TRIP BIT # 4 TO 7200'
01:30	02:30	1.0	MW 9.6, VIS 39, ESTABLISHED CIRCULATION @ 7200', CIRCULATING WELL BORE, NO LOSSES
02:30	03:00	0.5	TRIP BIT # 4 TO 7449'
03:00	06:00	3.0	WASH/REAM FROM 7449' TO 7800', (351'), MW 9.6, VIS 34, GPM 380, NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 TRIP IN HOLE , SAFETY MEETING # 2: ICE CONDITIONS, FUEL ON HAND 4104 , USED 700 GLS, (UNMANNED MUD LOGGER DAY # 12),

02-10-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$41,115	**Completion**	$0	**Daily Total**	$41,115
Cum Costs: Drilling	$927,535	**Completion**	$7,876	**Well Total**	$935,411

MD	9,515	**TVD**	9,515	**Progress**	395	**Days**	13	**MW**	9.6	**Visc**	31.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 9515'

Start	End	Hrs	Activity Description
06:00	10:30	4.5	WASH/REAM 7800' TO 8353' (553') MW 9.5, VIS 38, GPM 400, NO LOSS/GAIN
10:30	11:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL
11:00	16:30	5.5	WASH/REAM 8353' TO 9120', (667'), MW 9.5, VIS 36, GPM 400, LOST 320 BBLS FROM 8920' TO 8970'
16:30	06:00	13.5	DRILLED 9120' TO 9515', (395') ROP 29, MW 9.5, VIS 42, GPM 410, LOST 30 BBLS DRILLING FLUID @ 9230', NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 NEW PERSONNEL , SAFETY MEETING # 2: COMMUNICATIONS, FUEL ON HAND 2460 , USED 1644 GLS, (UNMANNED MUD LOGGER DAY # 13),

02-11-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$50,126	**Completion**	$0	**Daily Total**	$50,126
Cum Costs: Drilling	$977,662	**Completion**	$7,876	**Well Total**	$985,538

MD	9,797	**TVD**	9,797	**Progress**	282	**Days**	14	**MW**	9.5	**Visc**	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILLED 9515' TO 9716', (201'), ROP 25, MW 9.5, VIS 36, GPM 410, NO LOSS/GAIN
14:00	14:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL
14:30	21:00	6.5	DRILLED 9716' TO 9797', (81'), ROP 12, MW 9.5, VIS 38, GPM 400, NO LOSS/GAIN
21:00	06:00	9.0	WORKING PIPE, RIG REPAIR: SWIVEL GEAR BOX INTERNAL BOLTS SHEARED, REPLACE BOLTS, PACKING, FLUSH GEAR BOX, REPLACED OIL, INTERNAL SEALS FAILING, CIRCUALTING AT 275 GPM, WORKING PIPE @ 9582', (215' OFF BTM), WAITING ON SWIVEL PARTS AND MECHANIC, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 WORKING ALOFT , SAFETY MEETING # 2: COMMUNICATIONS, FUEL ON HAND 5002 GLS , USED 1044 GLS, (UNMANNED MUD LOGGER DAY # 14),

02-12-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$46,156	**Completion**	$0	**Daily Total**	$46,156
Cum Costs: Drilling	$1,023,818	**Completion**	$7,876	**Well Total**	$1,031,694

MD	9,840	**TVD**	9,840	**Progress**	43	**Days**	15	**MW**	9.5	**Visc**	37.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 9840'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RIG REPAIR, WAITING ON PARTS FOR SWIVEL
08:00	08:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
08:30	15:30	7.0	RIG REPAIR: WAIT ON PARTS AND MECHANIC TO REPAIR SWIVEL, (MECHANIC ON SITE AT 1530 HR)
15:30	01:30	10.0	RIG REPAIR, REPLACE MAIN BEARING AND ALL SEALS IN SWIVEL
01:30	06:00	4.5	DRILLED 9797' TO 9840', (43'), ROP 9, MW 9.5, VIS 35, GPM 410, NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 WORKING IN DERRICK , SAFETY MEETING # 2: WORKING ON SWIVEL, FUEL ON HAND 8444 GLS , USED 1150 GLS, (UNMANNED MUD LOGGER DAY # 15),

02-13-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$33,429	**Completion**	$0	**Daily Total**	$33,429
Cum Costs: Drilling	$1,057,248	**Completion**	$7,876	**Well Total**	$1,065,124

MD	9,850	**TVD**	9,850	**Progress**	10	**Days**	16	**MW**	9.7	**Visc**	37.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LD DP/RIG REPAIR

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 9840' TO 9850' TD, (10'), ROP 6, MW 9.6, VIS 36, GPM 410, NO LOSS/GAIN. REACHED TD ON 2/12/2008 @ 07:30 HRS.
07:30	08:00	0.5	BUILD PILL / PUMP PILL
08:00	10:00	2.0	SHORT TRIP, WORK TIGHT SPOTS, SHORT TRIP AGAIN, GOOD WELL BORE
10:00	10:30	0.5	PREPARE EQUIPMENT TO TRIP OUT OF HOLE
10:30	11:30	1.0	SPOT BTM HOLE PILL
11:30	18:00	6.5	RIG REPAIR, SWIVEL FAILED, ATTEMPTING TO CIRCULATE WELL BORE, PARCIAL CIRCULATION, MOVING DRILL PIPE
18:00	21:00	3.0	RIG REPAIR, WHILE MOVING SWIVEL TO INSTAL BALES AND ELEVATORS TO PULL PIPE, SWIVEL STARTED ROTATING
21:00	04:00	7.0	RIG REPAIR, TRIP OUT OF HOLE WITH DRILL PIPE FROM 9850' TO 8062', BIT AT 8062', SWIVEL FAILED
04:00	06:00	2.0	RIG REPAIR, REMOVE HYDRAULIC MOTORS FROM SWIVEL, SETTING UP HYDRAULIC TONGS TO UNSCREW THE KELLY VALVE FROM DRILL PIPE AND SWIVEL, NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 WORKING PIPE, SAFETY MEETING # 2: THIRD PARTY CONTRACTORS, FUEL ON HAND 6614 GLS , USED 1830 GLS, UNMANNED MUD LOGGER (16 DAYS) RELEASED 2/12/2008),
06:00		18.0	

02-14-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$46,116	**Completion**	$0	**Daily Total**	$46,116
Cum Costs: Drilling	$1,103,364	**Completion**	$7,876	**Well Total**	$1,111,240

MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	17	**MW**	11.0	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP TO RUN PROD CSG

Start	End	Hrs	Activity Description
06:00	15:00	9.0	RIG REPAIR, REBUILD SWIVEL
15:00	15:30	0.5	SERVICE RIG
15:30	20:00	4.5	RIG REPAIR, COMPLETE BUILDING SWIVEL
20:00	04:00	8.0	LAY DOWN DRILL PIPE. DAY WORK STARTED @ 20:00 HRs, 2/13/2008.
04:00	04:30	0.5	PUILL WEAR BUSHING
04:30	06:00	1.5	SET UP EQUIPMENT TO RUN CASING, 2/14/2008 @ 0430

NOTIFIED VERNAL BLM VERNAL OFFICE (JAMIE SPARGER), 4321–781–4502, RUNNING CASING / CEMENTING WELL, NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1 WORKING PIPE, SAFETY MEETING # 2: RUNNING CASING, FUEL ON HAND 6342 GLS , USED 576 GLS

02–15–2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$52,127	**Completion**	$171,105	**Daily Total**	$223,232		
Cum Costs: Drilling	$1,155,491	**Completion**	$178,981	**Well Total**	$1,334,472		
MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	18	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0					

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:00	2.0	SAFETY MEETING, COMPLETE SETTING UP EQUIPMENT TO RUN CASING.
08:00	16:00	8.0	RUN A TOTAL OF 243 JT'S OF 4 ½" 11.6 HC P–110, LTC CASING, FLOAT SHOE @ 9850' , FLOAT COLLAR @ 9806', MARKER JTS @ 7138' & 4686', WITH 30 CENTRALIZERS.
16:00	18:00	2.0	TAG BTM, LAND FLUTED HANGER WTIH 90,000 LBS.
18:00	19:00	1.0	OPEN FLOATS, SAFETY MEETING WITH THIRD PARTY CONTRACTOR, RIG UP SCHLUMBERGER.
19:00	21:00	2.0	SCHLUMBERGER MIXED AND PUMPED AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS H2O, 318 BBLS LEAD SLURRY, 35/65 POZ "G" SLURRY WT 11.50 /GL ,YIELD 2.98, (600 SKS), FOLLOWED W/ 357 BBLS, TAIL SLURRY 50/50 POZ G + ADDS SLURRY WT 14.1 LB/GL, YIELD 1.29, (1555 SKS), DISPLACED WITH 152 BBLS OF FRESH WATER, BUMP PLUG 1000 PSIG, FLOATS HELD.
21:00	22:00	1.0	RIG DOWN SCHLUMBERGER
22:00	23:00	1.0	LAND FLUTED HANGER SEAL
23:00	04:00	5.0	CLEAN TANKS, NIPPLE DOWN BOP.
04:00	06:00	2.0	RIG DOWN ROTARY TOOLS TO MOVE TO HOSS 25–32,

NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS,

SAFETY MEETING WITH THIRD PARTY CONTRACTORS, TRANSFER FROM HOSS 13–31 TO HOSS 25–32, (4 JTS 4.5 X 11.6# P110 LTC CASING (159.90'), AND 5853 GLS OF DIESEL, RIG MOVE IS APPROXIMATELY 2. MILES,

2/14/2008 @ 1500 HRS NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435–781–4502),

RIG MOVE TO HOSS 25–32 STARTS 2/15/2008 @ 0700 AND BOP TEST STARTS 2/16/2008 @ 0800 HRS

06:00		18.0	RELEASE RIG ON 2/15/2008 @ 04:00 HRS.

CASING POINT COST $1,155,491

02–20–2008 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$45,498	**Daily Total**	$45,498				
Cum Costs: Drilling	$1,155,491	**Completion**	$224,479	**Well Total**	$1,379,970				
MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	19	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 9805.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 60'. EST CEMENT TOP @ 2150'. RD SCHLUMBERGER.

04-06-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$1,653	**Daily Total**	$1,653				
Cum Costs: Drilling	$1,155,491	**Completion**	$226,132	**Well Total**	$1,381,623				
MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	20	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 9805.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

04-17-2008 **Reported By** JOE VIGIL

DailyCosts: Drilling	$0	**Completion**	$33,208	**Daily Total**	$33,208				
Cum Costs: Drilling	$1,155,491	**Completion**	$259,340	**Well Total**	$1,414,831				
MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	21	**MW**	0.0	**Visc**	0.0
Formation : MESAVERDE / WASATCH		**PBTD :** 9805.0		**Perf :** 8214' - 9640'		**PKR Depth :** 0.0			

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 9455'-56', 9460'-61', 9478'-79', 9492'-93', 9525'-26', 9538'-39', 9564'-65', 9589'-90', 9594'-96', 9638'-40', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4054 GAL 16# WF LINEAR PAD, 6259 GAL 16 WF LINEAR W/1# & 1.5# 20/40 SAND, 25198 GAL 16# DELTA 200+ W/91600# 20/40 SAND @ 1-5 PPG. MTP 8044 PSIG. MTR 51 BPM. ATP 5714 PSIG. ATR 46 BPM. ISIP 2911 PSIG. RD HALLIBURTON. RUWL. SET 10K CFP AT 9415'. PERFORATE LPR FROM 9195'-96', 9208'-09', 9214'-15', 9224'-25', 9250'-51', 9254'-55', 9299'-9300', 9322'-24', 9394'-95', 9398'-9400', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3163 GAL 16# WF LINEAR PAD, 6310 GAL 16# WF LINEAR 1# & 1.5# 20/40 SAND, 20746 GAL 16# DELTA 200 + WITH 76800# 20/40 SAND @ 1-5 PPG. MTP 8595 PSIG. MTR 51 BPM. ATP 5925 PSIG. ATR 41 BPM. ISIP 2934 PSIG. RD HALLIBURTON. RUWL. SET 10K CFP AT 9160'. PERFORATE MPR FROM 8944'-45', 8951'-52', 8956'-57', 9007'-09', 9073'-74', 9084'-85', 9091'-92', 9096'-97', 9119'-21', 9144'-45', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4217 GAL 16# WF LINEAR PAD, 6355 GAL 16# WF LINEAR W/1# & 1.5# 20/40 SAND, 25775 GAL 16# DELTA 200+ W/90600# 20/40 SAND @ 1-4 PPG. MTP 8414 PSIG. MTR 52 BPM. ATP 6797 PSIG. ATR 45 BPM. ISIP 3557 PSIG. RD HALLIBURTON. RUWL. SET 10K CFP AT 8905'. PERFORATE MPR FROM 8677'-78', 8687'-88', 8712'-13', 8716'-17', 8748'-50', 8787'-88', 8795'-96', 8800'-01', 8826'-27', 8869'-70', 8875'-76', 8888'-89', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3197 GAL 16# WF LINEAR PAD, 6317 GAL 16# WF LINEAR W/1# & 1.5# 20/40 SAND, 31251 GAL 16# DELTA 200+ W/113200# 20/40 SAND @ 1-5 PPG. MTP 8256 PSIG. MTR 52 BPM. ATP 6186 PSIG. ATR 45 BPM. ISIP 3286 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 8640'. PERFORATE MPR FROM 8435'-36', 8442'-43', 8466'-67', 8489'-90', 8518'-19', 8527'-28', 8540'-41', 8561'-62', 8579'-80', 8587'-88', 8601'-02', 8621'-22', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4226 GAL 16# WF LINEAR PAD, 6319 GAL 14 WF LINEAR W/1# & 1.5# 20/40 SAND, 62812 GAL 16# DELTA 200+ W/221300# 20/40 SAND @ 1-5 PPG. MTP 8415 PSIG. MTR 51.5 BPM. ATP 4698 PSIG. ATR 47 BPM. ISIP 2387 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 8400'. PERFORATE UPR/MPR FROM 8214'-15', 8254'-55', 8260'-61', 8278'-79', 8287'-88', 8299'-8300', 8305'-06', 8313'-14', 8365'-66', 8377'-78', 8385'-87', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4176GAL 16# WF LINEAR PAD, 6309 GAL 16# WF LINEAR W/1# & 1.5# 20/40 SAND, 35534 GAL 16# DELTA 200+ W/127000# 20/40 SAND @ 1-5 PPG. MTP 7670 PSIG. MTR 51.5 BPM. ATP 5175 PSIG. ATR 48 BPM. ISIP 2613 PSIG. RD HALLIBURTON. SDFN.

04-18-2008 **Reported By** JOE VIGIL

DailyCosts: Drilling	$0	**Completion**	$530,061	**Daily Total**	$530,061
Cum Costs: Drilling	$1,155,491	**Completion**	$789,401	**Well Total**	$1,944,892

MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	21	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9805.0 **Perf :** 5650' - 9640' **PKR Depth :** 0.0

Activity at Report Time: MISU

Start	End	Hrs	Activity Description
06:00	06:10	0.17	RUWL SET 10K CFP AT 8130'. PERFORATE UPR FROM 7921'-22', 7927'-28', 7940'-41', 7944'-45', 7948'-49', 8035'-36', 8079'-80', 8086'-87', 8091'-92', 8097'-98', 8110'-11', 8114'-15'@ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4253 GAL 16# WF LINEAR PAD, 6371 GAL 16# WF LINEAR W/ 1# & 1.5#, 33279 GAL 16# DELTA 200+ W/ 121500 # 20/40 SAND @ 1-5 PPG. MTP 6851 PSIG. MTR 52 BPM. ATP 4551 PSIG. ATR 50 BPM. ISIP 1994 PSIG. RD HALLIBURTON RUWL SET 10K CFP AT 7880'. PERFORATE UPR FROM 7633'-34', 7641'-42', 7656'-57', 7727'-28', 7738'-39', 7745'-46', 7775'-76', 7779'-80', 7801'-02', 7827'-28', 7846'-47', 7865'-66', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4264 GAL 16# WF LINEAR PAD, 6365 GAL 16# WF LINEAR W/ 1# & 1.5#, 63165 GAL 16# DELTA 200+ W/ 222600 # 20/40 SAND @ 1-5 PPG. MTP 5486 PSIG. MTR 51.5 BPM. ATP 4165 PSIG. ATR 49 BPM. ISIP 2189 PSIG. RD HALLIBURTON RUWL SET 10K CFP AT 7540'. PERFORATE NH FROM 7339'-40', 7343'-44', 7369'-70', 7374'-75', 7379'-80', 7414'-15', 7428'-29', 7457'-59', 7505'-06', 7513'-14', 7517'-18', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3172 GAL 16# WF LINEAR PAD, 6320 GAL 16# WF LINEAR W/1# & 1.5# SAND, 27859 GAL 16# DELTA 200 + W/ 100100# 20/40 SAND @ 1-4 PPG. MTP 6067 PSIG. MTR 51 BPM. ATP 4021 PSIG. ATR 49.5 BPM. ISIP 2159 PSIG. RD HALLIBURTON. RUWL SET 10K CFP AT 7305'. PERFORATE NH FROM 7037'-38', 7072'-73', 7076'-77', 7112'-13', 7132'-34', 7141'-42', 7159'-60', 7198'-99', 7261'-62', 7271'-72', 7289'-90', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3200 GAL 16# WF LINEAR PAD, 6345 GAL 16# WF LINEAR W/1# & 1.5# SAND, 25819 GAL 16# DELTA 200 + W/ 91700# 20/40 SAND @ 1-4 PPG. MTP 6948 PSIG. MTR 51 BPM. ATP 4844 PSIG. ATR 49 BPM. ISIP 2036 PSIG. RD HALLIBURTON. RUWL SET 10K CFP AT 6920'. PERFORATE BA FROM 6525'-26', 6559'-60', 6592'-93', 6615'-16', 6649'-50', 6667'-68', 6709'-10', 6735'-36', 6827'-28', 6856'-57', 6894'-95', 6903'-04', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 27849GAL 16# WF LINEAR PAD, 6337 GAL 16# WF LINEAR W/1# & 1.5# SAND, 27849 GAL 16# DELTA 200 + W/ 100100# 20/40 SAND @ 1-4 PPG. MTP 8295 PSIG. MTR 52 BPM. ATP 4756 PSIG. ATR 50 BPM. ISIP 2231 PSIG. RD HALLIBURTON.
06:10	06:00	23.83	RUWL SET 6K CFP AT 6475'. PERFORATE CA/BA FROM 6227'-28', 6231'-32', 6257'-58', 6297'-98', 6344'-45', 6372'-73', 6375'-76', 6384'-85', 6399'-6400', 6410'-11', 6426'-27', 6456'-57', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 3187 GAL 16# WF LINEAR PAD, 5293 GAL 16# WF LINEAR W/1# & 1.5# SAND, 20878 GAL 16# DELTA 200 + W/ 73800# 20/40 SAND @ 1-4 PPG. MTP 8203 PSIG. MTR 51 BPM. ATP 5279 PSIG. ATR 46.5 BPM. ISIP 2594 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 5905'. PERFORATE CA FROM 5856'-60', 5865'-66', 5871'-76', 5883'-85', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 2183 GAL 16# WF LINEAR PAD, 4265 GAL 16# WF LINEAR W/1# & 1.5# SAND, 21705 GAL 16# DELTA 200 + W/ 75900# 20/40 SAND @ 1-4 PPG. MTP 4135 PSIG. MTR 51.5 BPM. ATP 3538 PSIG. ATR 46.5 BPM. ISIP 1631 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 5810'. PERFORATE CA FROM 5766'–68', 5771'–75', 5780'–84', 5792'–94', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 2092 GAL 16# WF LINEAR PAD, 4259 GAL 16# WF LINEAR W/1# & 1.5# SAND, 20260 GAL 16# DELTA 200 + W/ 77800# 20/40 SAND @ 1–4 PPG. MTP 5163 PSIG. MTR 51 BPM. ATP 3843 PSIG. ATR 49.5 BPM. ISIP 1872 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 5732'. PERFORATE CA FROM 5650'–53', 5692'–95', 5710'–13', 5716'–19', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 2147 GAL 16# WF LINEAR PAD, 4313 GAL 16# WF LINEAR W/1# & 1.5# SAND, 16934 GAL 16# DELTA 200 + W/ 59200# 20/40 SAND @ 1–4 PPG. MTP 6695 PSIG. MTR 51 BPM. ATP 4501 PSIG. ATR 48 BPM. ISIP 2038 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5586'. RDMO WIRELINE. SDFN.

04–23–2008 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	**Completion**	$37,315	**Daily Total**	$37,315
Cum Costs: Drilling	$1,155,491	**Completion**	$826,716	**Well Total**	$1,982,207

MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	22	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9805.0 **Perf :** 5650' – 9640' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	16:00	10.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 5586'. RU TO DRILL OUT PLUGS. SDFN.

04–24–2008 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	**Completion**	$13,147	**Daily Total**	$13,147
Cum Costs: Drilling	$1,155,491	**Completion**	$839,863	**Well Total**	$1,995,354

MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	23	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9805.0 **Perf :** 5650' – 9640' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5586', 5732', 5810', 5905', 6475', 6920', 7305', 7540', 7880', 8130', 8400', 8640', 8905', 9160', 9415'. RIH. CLEANED OUT TO PBTD @ 9805'. LANDED TBG AT 8234.98' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. FLOWED 14 HRS. 24/64 CHOKE. FTP 900 PSIG. CP 1200 PSIG. 80 BFPH. RECOVERED 1120 BLW. 14856 BLWTR. TUBING DETAIL LENGTH PUMP OFF SUB 1.00' 1 JT 2–3/8" 4.7# L–80 TBG 32.81' XN NIPPLE 1.10' 250 JTS 2–3/8" 4.7# L–80 TBG 8187.07' BELOW KB 13.00' LANDED @ 8234.98' KB

04–25–2008 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	**Completion**	$20,279	**Daily Total**	$20,279
Cum Costs: Drilling	$1,155,491	**Completion**	$860,142	**Well Total**	$2,015,633

MD	9,850	**TVD**	9,850	**Progress**	0	**Days**	24	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9805.0 **Perf :** 5650' – 9640' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 600 & SICP 1000 PSIG. TURNED WELL TO QUESTAR SALES AT 3:15 PM, 4/24/08. FLOWING 209 MCFD RATE ON 24/64" POS CK. STATIC 428. FLOWED 23 HRS. 24/64' CHOKE. FTP 550 PSIG. CP 850 PSIG. 85 BFPH. RECOVERED 2040 BLW. 12816 BLWTR. 0 MCF. SD 1 HR TO INSTALL BRECO FLOW BACK SEPARATOR.

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU61401

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. BADLANDS UNIT

2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No. HOSS 13-31

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202

3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No. 43-047-38674

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SENE 1894FNL 839FEL 40.08128 N Lat, 109.36337 W Lon

At top prod interval reported below SENE 1894FNL 839FEL 40.08128 N Lat, 109.36337 W Lon

At total depth SENE 1894FNL 839FEL 40.08128 N Lat, 109.36337 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV

11. Sec., T., R., M., or Block and Survey or Area Sec 31 T8S R23E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 11/25/2007

15. Date T.D. Reached 02/12/2008

16. Date Completed ☐ D & A ☒ Ready to Prod. 04/24/2008

17. Elevations (DF, KB, RT, GL)* 4873 GL

18. Total Depth: MD 9850 TVD

19. Plug Back T.D.: MD 9805 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR ; Temp

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2556		885			
7.875	4.500 P-110	11.6	0	9850		2155			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8235							

25. Producing Intervals

26. Perforation Record 5650-9640

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH/MESAVERDE	5650	9640	9455 TO 9640		3	
B)			9195 TO 9400		3	
C)			8944 TO 9145		3	
D)			8677 TO 8889		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9455 TO 9640	35,676 GALS GELLED WATER & 91,600# 20/40 SAND
9195 TO 9400	30,384 GALS GELLED WATER & 76,800# 20/40 SAND
8944 TO 9145	36,512 GALS GELLED WATER & 90,600# 20/40 SAND
8677 TO 8889	40,930 GALS GELLED WATER & 113,200# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/24/2008	05/15/2008	24	→	10.0	698.0	170.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
14/64"	1250	1900.0	→	10	698	170		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #60430 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
MAY 27 2008
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
WASATCH/MESAVERDE	5650	9640		GREEN RIVER	2131
				MAHOGANY	2764
				UTELAND BUTTE	4885
				WASATCH	5085
				CHAPITA WELLS	5691
				BUCK CANYON	6353
				PRICE RIVER	7535
				MIDDLE PRICE RIVER	8271

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #60430 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name *(please print)* MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 05/22/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Hoss 13-31 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8435-8622	3/spf
8214-8387	3/spf
7921-8115	3/spf
7633-7866	3/spf
7339-7518	3/spf
7037-7290	3/spf
6525-6904	3/spf
6227-6457	3/spf
5856-5885	3/spf
5766-5794	3/spf
5650-5719	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8435-8622	73,522 GALS GELLED WATER & 221,300# 20/40 SAND
8214-8387	46,184 GALS GELLED WATER & 127,000# 20/40 SAND
7921-8115	44,068 GALS GELLED WATER 7 121,500# 20/40 SAND
7633-7866	73,959 GALS GELLED WATER & 222,600# 20/40 SAND
7339-7518	37,516 GALS GELLED WATER & 100,100# 20/40 SAND
7037-7290	35,529 GALS GELLED WATER & 91,700# 20/40 SAND
6525-6904	37,336 GALS GELLED WATER & 100,100# 20/40 SAND
6227-6457	29,358 GALS GELLED WATER & 73,800# 20/40 SAND
5856-5885	28,153 GALS GELLED WATER & 75,900# 20/40 SAND
5766-5794	26,611 GALS GELLED WATER & 77,800# 20/40 SAND
5650-5719	23,394 GALS GELLED WATER & 59,200# 20/40 SAND

Perforated the Lower Price River from 9455-56', 9460-61', 9478-79', 9492-93', 9525-26', 9538-39', 9564-65', 9589-90', 9594-96' & 9638-40' w/ 3 spf.

Perforated the Lower Price River from 9195-96', 9208-09', 9214-15', 9224-25', 9250-51', 9254-55', 9299-9300', 9322-24', 9394-95' & 9398-9400' w/ 3 spf.

Perforated the Middle Price River from 8944-45', 8951-52', 8956-57', 9007-09', 9073-74', 9084-85', 9091-92', 9096-97', 9119-21' & 9144-45' w/ 3 spf.

Perforated the Middle Price River from 8677-78', 8687-88', 8712-13', 8716-17', 8748-50', 8787-88', 8795-96', 8800-01', 8826-27', 8869-70', 8875-76' & 8888-89' w/ 3 spf.

Perforated the Middle Price River from 8435-36', 8442-43', 8466-67', 8489-90', 8518-19', 8527-28', 8540-41', 8561-62', 8579-80', 8587-88', 8601-02' & 8621-22' w/ 3 spf.

Perforated the Upper/Middle Price River from 8214-15', 8254-55', 8260-61', 8278-79', 8287-88', 8299-8300', 8305-06', 8313-14', 8365-66', 8377-78' & 8385-87' w/ 3 spf.

Perforated the Upper Price River from 7921-22', 7927-28', 7940-41', 7944-45', 7948-49', 8035-36', 8079-80', 8086-87', 8091-92', 8097-98', 8110-11' & 8114-15' w/ 3 spf.

Perforated the Upper Price River from 7633-34', 7641-42', 7656-57', 7727-28', 7738-39', 7745-46', 7775-76', 7779-80', 7801-02', 7827-28', 7846-47' & 7865-66' w/ 3 spf.

Perforated the North Horn from 7339-40', 7343-44', 7369-70', 7374-75', 7379-80', 7414-15', 7428-29', 7457-59', 7505-06', 7513-14' & 7517-18' w/ 3 spf.

Perforated the North Horn from 7037-38', 7072-73', 7076-77', 7112-13', 7132-34', 7141-42', 7159-60', 7198-99', 7261-62', 7271-72' & 7289-90' w/ 3 spf.

Perforated the Ba from 6525-26', 6559-60', 6592-93', 6615-16', 6649-50', 6667-68', 6709-10', 6735-36', 6827-28', 6856-57', 6894-95' & 6903-04' w/ 3 spf.

Perforated the Ca/Ba from 6227-28', 6231-32', 6257-58', 6297-98', 6344-45', 6372-73', 6375-76', 6384-85', 6399-6400', 6410-11', 6426-27' & 6456-57' w/ 3 spf.

Perforated the Ca from 5856-60', 5865-66', 5871-76' & 5883-85' w/ 3 spf.

Perforated the Ca from 5766-68', 5771-75', 5780-84' & 5792-94' w/ 3 spf.

Perforated the Ca from 5650-53', 5692-95', 5710-13' & 5716-19' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Lower Price River	9118
Sego	9663

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: HOSS 13-31

API number: 4304738674

Well Location: QQ SENE Section 31 Township 8S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 827

city VERNAL state UT zip 84078 Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,270	1,280	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 5/22/2008

(5/2000)

API Well No: 43047386740000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-61401

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: BADLANDS

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: HOSS 13-31

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43047386740000

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078

PHONE NUMBER: 435 781-9111 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1894 FNL 0839 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 31 Township: 08.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 10/31/2008	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Pit Closure

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The reserve pit on the referenced location was closed on 10/31/2008 as per the APD procedure.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 23, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Mickenzie Thacker	435 781-9145	Operations Clerk
SIGNATURE N/A		**DATE** 6/18/2009

RECEIVED June 18, 2009